

CITY OF WENATCHEE

2005-09 CONSOLIDATED PLAN



Habitat for Humanity Groundbreaking

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EXECUTIVE SUMMARY

BACKGROUND

The City of Wenatchee 2005-2009 Consolidated Plan is the first of its kind. During 2004, the City became an entitlement jurisdiction, meaning that it now receives a direct allocation of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). Beginning in 2005, the City will receive approximately \$385,000 each year, totaling \$1,925,000 over the 2005-2009 period covered by this Consolidated Plan. (Prior to becoming an entitlement jurisdiction, the City competed with other jurisdictions for CDBG funds administered by the State of Washington's Department of Community, Trade, and Economic Development.)

Required by HUD prior to use of the CDBG funds, the development of the Consolidated Plan provides the community with the opportunity to weigh in on its priorities for the funds. It also allows the City to look carefully at the factors impacting quality of life for the community's low- and moderate-income residents, including poverty, poor housing quality, overcrowding, scarcity of living wage jobs, poor educational achievement, and other problems.

The City does not have carte blanche in its use of the CDBG funds it will now receive from the federal government. HUD provides guidance on the use of these funds by establishing three broad goals that entitlement communities must pursue with their allocations:

- Ensuring that the community's low- and moderate-income residents have access to decent and affordable housing
- Ensuring that the community offers suitable living environments
- Expanding economic opportunities for the community's low- and moderate-income residents

Working within this goal framework, the City has the authority to use its CDBG allocation to implement a diverse array of activities to meet the needs of the community's low- and moderate-income households, including:

- Housing-related activities, such as assistance to rehabilitate, acquire, or develop housing for low- and moderate-income households, as well as assistance for homebuyers
- Community development activities, including improvements to public facilities, public infrastructure, and neighborhoods
- Economic development activities, including business development, job training, and educational achievement efforts
- Public services, such as child care, youth recreation, services to support people in housing, and food programs
- Planning activities that bring housing and community development projects to the implementation phase

The City has identified a set of goals, objectives, and strategies that describe the work it will undertake with its first round of CDBG funds. While many of the objectives and strategies involve the use of CDBG funds, others call for the City to pursue the goals through advocacy, partnership development, and other non-funding approaches.

COMMUNITY INPUT

One of the most important responsibilities of an entitlement jurisdiction is to involve the community in the establishment of priorities for use of the CDBG funds. The City has taken this responsibility seriously during the development of this Consolidated Plan. Specifically, the City interviewed community leaders, service providers, and residents to learn about their concerns and priorities for funding. In addition, the City convened a CDBG Advisory Group. This Advisory Group worked with the City staff and consultants to ensure that the 2005-2009 Consolidated Plan lays a strong foundation for meeting the needs of the community's most vulnerable members. The priorities described in this document reflect the results of this community-based planning effort.

THE COMMUNITY PROFILE

In order to effectively use its CDBG funds, it was critical that the City and Advisory Group members understand the composition of the community, particularly those factors that impact low- and moderate-income residents. As a result, the City gathered and analyzed an extensive

array of data describing the nature of life in the community. The highlights of this analysis follow.

Population Profile

While Wenatchee experienced a growth burst in the first part of the 1990s, this in-flux of people diminished by the second half of the decade and has remained steady. As part of the increase in population, the community's Hispanic population grew by 22% with an accompanying 57% increase in large households.

In terms of languages spoken in the community, in 2000, almost 21% of the population in Wenatchee five years of age or older spoke a language other than English at home, and 58% of this group reporting speaking English "less than well."

Elderly individuals living alone are also an important feature of community life. In 2000, there was a higher percentage of elderly (65 years and over) single individuals living alone in Wenatchee than in Washington and the nation. Fully 13% of households in Wenatchee in 2000 were single individuals 65 years of age and older living alone. That corresponds to 9% in Washington and 8% nationally.

Individuals with physical and mental disabilities are also community residents. The 2000 census found a total of 4,936 people aged 16 or older living with disabilities in the city. The Washington State Department of Social and Health Services estimates that 4,978 people with severe mental illness resided in the Chelan-Douglas region in 2002.

Employment Trends

As in Washington as a whole, unemployment rates decreased slightly from 2002 to 2004 in Chelan County. However, as recently as November 2004, the unemployment rate in Chelan County was 7.4%, compared to 5.6% in Washington State.

In addition, many of the jobs coming to the area are primarily lower-paying service and retail positions. While these positions add employment opportunities, they often provide a wage that is insufficient for workers to pay for housing, food, health care, transportation, and clothing. As a result, the individuals holding these positions face significant obstacles in their efforts to rise

out of poverty. In addition, these positions often provide no health care or dental benefits and leave people at risk of serious financial problems if a medical crisis occurs.

Education and Workforce Development

At the time of the 2000 Census, Wenatchee's population had an education level slightly lower than that of the state. A significantly higher percent of Wenatchee's residents 25 and older, however, lacked a high school diploma or the equivalent (22%) than was true of the state as a whole (13%).

According to the Bureau of Labor Statistics, education levels are proportional to both unemployment rates and median weekly earnings. While the unemployment rate in the U.S. for a high school dropout was 7.3% in 2001, it was 4.2% with a high school diploma, 2.5% with a bachelor's degree, 2.1% with a master's degree, and 1.1% with a doctoral degree. In May 2004, the median wage offered in Washington for job vacancies with no educational requirement was \$7.75/hour. For jobs requiring a high school diploma, it was \$9.80/hour. With a bachelor's degree, the median wage was \$21.81/hour, and for a graduate degree, it was \$25.00/hour.

Household Income

Between 2000 and 2004, the state's median income increased by 7%. However, Chelan County's median household income grew by only 1.5%, from \$39,172 in 2000 to \$39,737 in 2004. In addition, in 1999, the Hispanic population earned a median income that was 25% less than the overall population (\$26,127 compared to \$34,897).

Fifteen percent of the total population in Wenatchee was living in poverty in 1999, compared to 11% in the state as a whole. The incidence of poverty among Wenatchee families with children headed by females is much greater than in the state and the U.S.: 44% of female head of households with children under 18, and 54% of those households with children under the age of five, were living in poverty.

HOUSING TRENDS

Housing problems are defined as a cost burden (i.e., paying over 30% of income for rent and utilities), overcrowding, and/or a lack of complete kitchen and plumbing facilities. Half of all

renter households in Wenatchee had housing problems, primarily because they were paying more than 30% of their income toward rent and utilities.

Opportunities for the development of new affordable housing are limited. Although some infill opportunities exist, there is limited undeveloped land available for the production of housing affordable to lower-income households.

HOUSING CONDITIONS

Forty-four percent of Wenatchee's housing was built prior to 1960; of that total, 18% of the housing was constructed before 1940.

One of the key issues surrounding older housing is the presence of lead-based paint. Studies have shown that the ingestion of this paint by young children causes learning disabilities and neurological problems. Using nationally-accepted methodology, nearly 3,300 homes within the City could pose potential lead-based paint hazards. Looking at the proportion of these homes occupied by low- and moderate-income individuals, it is estimated that 922 low- and moderate-income renter households and 560 low- and moderate-income owner households in Wenatchee live in housing with potential lead-based paint hazards.

HOUSING TENURE

From 1990 to 2000, owner-occupied housing increased from 55% to 58% of the total occupied housing in Wenatchee. However, while city and state ownership rates rose at the same pace, home ownership in Wenatchee remained significantly below the countywide rate of 65%. Conversely, renters represented 42% of the city's occupants.

Owner-occupancy was higher for white (alone) householders (61% lived in housing they owned or were buying) than non-white (alone) householders (35% lived in housing they owned or were buying). Owner-occupancy also varied by ethnicity, with just 34% of Hispanic householders owning the home in which they were living.

MARKET ANALYSIS

The ability of the City's low- and moderate-income individuals and families to pay a reasonable portion of their income for housing costs (30% by federal standards) has declined significantly over the last decade. Almost half (44%) of renter households in Wenatchee paid more than 30% of income for rent in both 1990 and 2000. In 2000, 19%, or 885 renter households, paid more than 50% of their income for rent.

In 1990, 62% of renters in Wenatchee paid less than \$400 per month for rent. By 2000, only 21% of renters paid less than \$400 per month. Similarly, only 4% of renters paid more than \$650 per month in 1990. By 2000, the number of renters paying more than \$650 per month increased to 25%.

HOMELESS NEEDS

As is true for almost all communities throughout the state, there are homeless people in Wenatchee. There are multiple reasons why most homeless people are unable to maintain stable housing; many are mentally ill and/or suffer from chronic substance use. National data indicate that 35% and 40% of homeless people suffer from mental illness, and approximately 30% have chronic substance abuse problems.

The October 2004 count of homeless persons in the city revealed that there were approximately 323 homeless persons living in the community; over 60% of these individuals were males. When interviewed, local homeless people cited mental illness and physical/medical disabilities as the most common reason for their homelessness.

NEIGHBORHOOD REVITALIZATION

Many Wenatchee neighborhoods reflect a lack of investment in basic amenities, including sidewalks, street lighting, alley paving, and other fundamental infrastructure. As a result, these neighborhoods present hazards to the residents, particularly children and the elderly, who are at risk of traffic-pedestrian accidents. In addition, a number of neighborhoods have significant amounts of abandoned materials, including cars, trash, and appliances.

Other neighborhood assets are also missing; many neighborhoods do not have community facilities, such as recreational and social centers, that provide a venue for residents, particularly youth, to come together to participate in positive activities.

While many neighborhoods throughout the city reflect these shortages, the south Wenatchee area reflects the most critical needs.

ECONOMIC DEVELOPMENT

Currently, the unemployment rate and wage levels indicate that the city is in need of economic development efforts to bring additional living wage jobs to the area. The region's economic base is transitioning from mainly agricultural and resource-based industries to a broader spectrum of economic industries. However, much of the job growth is in the service and retail sectors; these jobs often pay low wages and offer poor benefits. In addition, the low educational level of many community residents drives them into these low-wage jobs due to their inability to compete for better paying positions.

FIVE-YEAR STRATEGIES

City staff worked closely with the CDBG Advisory Group to identify the priorities for use of the 2005-2009 CDBG funds. Working within the goal framework set out by HUD, the Advisory Group analyzed the community profile data, reviewed the input from community members, and developed the objectives and strategies described below. Each year, the City will develop an Annual Plan for the years covered under the 2005-09 Consolidated Plan; these Annual Plans will describe the specific activities that will take place to implement the strategies and achieve the objectives.

Goal 1: Provide Decent Affordable Housing

Objective A: Increase the supply of affordable housing available to the community's lowest-income households

Strategies:

1. Establish and fund a program to create new permanent housing for lower-income families and supportive transitional and permanent housing for the homeless and other at-risk

populations through approaches such as land acquisition, infrastructure development, and acquisition of property for combined housing/economic development projects

2. Explore incentives for landlords, the Housing Authority, and other developers to increase the amount of affordable housing available to the community's most vulnerable residents

Objective B: Improve the quality of rental housing available to the community's lowest-income households and Individuals

Strategies:

1. Investigate methods for improving enforcement of the City of Wenatchee housing codes, such as researching regulatory and incentives-based methods other jurisdictions have used to achieve improved quality of local rental housing, while ensuring that these methods do not contribute to increased homelessness (Short term strategy – report on results by 2007)
2. Explore options for working with landlords to improve the safety and livability of the affordable housing currently available to low-income people in the community
3. Encourage cooperative efforts to maintain or expand facilities for the homeless

Objective C: Expand homeownership opportunities

Strategies:

1. Assist owners in rehabilitating their homes
2. Encourage homeownership through homeownership classes and brochures explaining fair housing laws, financial counseling, and other methods of assisting homebuyers and homeowners, including promoting greater use of existing down payment assistance programs and promotion of fair housing opportunities

Goal 2: Improve the Quality of Life Throughout the Community

Objective A: Revitalize neighborhoods

Strategies:

1. Work in partnership with neighborhood residents, property owners, and businesses to upgrade basic infrastructure, such as sidewalks, lighting, landscaping, and facilities

2. Encourage neighborhood residents, property owners, and businesses to work together to eliminate health and safety hazards and improve neighborhood attractiveness by participating in community improvement activities, such as neighborhood clean-up projects

Objective B: Provide support for integrated high priority public services and community facilities

Strategies:

1. Provide assistance to maintain and expand community facilities that offer multiple activities and services for lower-income families, such as youth activities, child care, social and recreational programs for adults, and English as a Second Language (ESL) courses (Short term strategy – facility completed in 2005)
2. Encourage initiatives that support integrated approaches to delivering safety net services, such as co-locating facilities offering multiple services, including child care, youth activities, and employment, with transportation resources, such as bus shelters and transfer stations

Goal 3: Increase Individual and Community Self-Sufficiency

Objective A: Increase the number of living wage jobs available within the community

Strategies:

1. Identify successful regulatory and incentives-based methods other communities have used to encourage businesses to relocate or expand in their areas, such as tax incentives, community enterprise zones, tax credits, and other approaches (Short term strategy – Report on results by 2007)
2. Work in partnership with existing business development programs to enhance their capacity to help small businesses hire and retain low- and moderate-income individuals, through approaches such as investigating the feasibility of micro-lending, encouraging strong connections between neighborhood schools and businesses, and advocating for the regular evaluation of the community's economic development programs

Objective B: Provide lower-income persons with assistance in obtaining the education and skills needed to compete for living wage jobs

Strategies:

1. Encourage increased availability of English as a Second Language training and greater participation in ESL classes
2. Encourage the expansion of mentoring activities that assist lower-income persons in becoming workforce-ready

INTRODUCTION

The City of Wenatchee 2005-2009 Consolidated Plan represents a historic development for the City of Wenatchee: the City has become an entitlement jurisdiction and, therefore, now obtains an allocation of Community Development Block Grant (CDBG) funds from the U.S.

Department of Housing and Urban Development (HUD). Prior to becoming an entitlement jurisdiction in 2004, the City applied to Washington State's Department of Trade and Economic Development (CTED) for CDBG funding to complete specific housing and community development projects.

The City's decision to become an entitlement jurisdiction reflects its continuing commitment to addressing the housing and community development needs of its low- and moderate-income households (i.e., those households with incomes at 80% or below area median income). The City will receive a direct annual allocation of \$385,000 in CDBG funds from HUD in 2005; the City's estimated five-year CDBG allocation totals approximately \$1,925,000.

As an entitlement jurisdiction, the City is required to develop a Consolidated Plan that assesses community needs and describes how the City will use its CDBG funds during the five-year time period covered by the Plan. HUD has provided guidance on the use of the CDBG funds by establishing three overall goals that communities are to pursue with their allocation:

- To ensure that the community's low- and moderate-income residents have access to decent and affordable housing
- To ensure that the community offers suitable living environments
- To expand economic opportunities for the community's low- and moderate-income residents

Working within this goal framework, the City can use its CDBG allocation to implement a diverse array of activities to meet the needs of the community's low- and moderate-income households, including:

- Housing-related activities, such as assistance to rehabilitate, acquire, or develop housing for low- and moderate-income households and assistance for homebuyers
- Community development activities, including improvements to public facilities, public infrastructure, and neighborhoods

- Economic development activities, including business development, job training, and educational achievement efforts
- Public services, such as child care, youth recreation, and food programs
- Planning activities that focus on bringing housing and community development projects to the implementation phase

In order to directly involve community members in the development of its first Consolidated Plan, the City interviewed community leaders, service providers, and residents to learn about their concerns and priorities for funding. In addition, the City convened a CDBG Advisory Group. This Advisory Group has worked with City staff and consultants to ensure that the 2005-2009 Consolidated Plan lays a strong foundation for meeting the needs of the community's most vulnerable members. The community needs, priorities, and strategies described in this document reflect the results of this community-based planning effort.

Working closely with the Advisory Group, the City and its consultants (Clegg & Associates, John Epler & Associates, and CC Consulting), developed a set of objectives and strategies for each of the required goals. These objectives and strategies describe the actions the City will take to make progress in achieving these three goals. Not all of the objectives and strategies call for the use of CDBG funding; many of the strategies call for the City to carry out advocacy, partnership development, and other non-funding approaches.

FRAMEWORK FOR IMPLEMENTATION

SUMMARY OF CITIZEN PARTICIPATION PLAN

The City of Wenatchee is committed to involving the community's residents in the decision-making process regarding the use of the Community Development Block Grant funds. This involvement will include participation in the development of the Consolidated Plan, the Annual Plans, and review of the City's progress in carrying out the projects and activities described in these plans.

The Citizen Participation Plan lays out the multiple avenues in which local residents can voice their opinions and concerns about the Consolidated Plan and its amendments. Specifically, local residents will be notified regarding the CDBG allocation the City will receive each year, the types of projects and activities the City is allowed to conduct using the CDBG funds, the proportion of each Annual Plan's efforts that benefit low- and moderate-income persons, and the methods the City will employ to minimize the displacement of local residents. The Citizen Participation Plan also describes the ways residents can provide input on the draft Consolidated Plan, including their invitation to at least one hearing during the development of the Plan, and the City's commitment to review and consider all comments submitted on the draft Plan.

COMMUNITY OUTREACH AND CONSULTATION

The new designation of the City of Wenatchee as a HUD CDBG entitlement community represents a change for local public and nonprofit organizations. In order to involve these organizations in the development of the Consolidated Plan, the City undertook an aggressive campaign to inform agencies, community leaders, stakeholders, and residents regarding the entitlement designation. The goals of this campaign were two-fold: first, to educate the community on the potential uses of the CDBG funds to address local housing, community development, economic development, and human service needs, and second, to determine the most important housing, neighborhood investment, and economic development issues facing individuals with special needs and those with low and moderate incomes.

Consultants conducted over 50 key informant interviews and facilitated two focus group meetings. Key informant interview participants included:

- Elected officials: the Mayor and several City Council members
- Housing providers: the Housing Authority of Chelan County and the City of Wenatchee, Habitat for Humanity, and the Chelan/Douglas Community Action Council
- Other funders: the United Way and the Wenatchee Community Foundation
- Agencies that focus on education and workforce training: the Wenatchee Public Schools, WorkSource, Skill Source, and Wenatchee Valley College
- Organizations that provide services to children: the Children's Home Society, Head Start, the Community Health Center, the Chelan Douglas Health District, the Washington State Department of Social and Health Services, and the schools' homeless teen advocate
- Providers of services to persons with mental or developmental disabilities: the Regional Support Network, the Behavioral Health Center, and the Area Agency on Aging
- Agencies representing emergency and crisis care: the Women's Resource Center, the Domestic Violence Center, Hospitality House, and SERVE Wenatchee Valley
- Business and economic development agencies: Wenatchee Chamber of Commerce, SCORE, Association of Realtors, and the Wenatchee Downtown Association
- Organizations that provide services to the Hispanic population: Opportunities Industrialization Center, North Central Educational Service District, Hispanic Chamber of Commerce, Early Childhood Education Center, and the Northwest Justice Project

Presentations on the needs assessment results from the key informant interviews were made during two focus group meetings held in December 2004. Attendees provided additional insight and input on community needs and resources.

In addition, consultation with representatives of the County, the State, and other key governmental agencies occurred during the process, and a draft Consolidated Plan was sent to the County and the State for their review prior to its adoption by the City.

CONSOLIDATED PLAN ADVISORY GROUP

To ensure additional inclusion of the community in the development of the Consolidated Plan, the City convened an Ad Hoc Community Development Block Grant Advisory Group (the Group). The Group included representatives from a wide variety of key community and organizational leaders. The Advisory Group met three times, once each in January, February, and March. After hearing the results of the Community Profile research and the key informant interviews, the Group identified the Consolidated Plan's CDBG goals, objectives, and strategies. In addition, in early March, the Group sought additional input by taking the draft goals, objectives, and strategies to a community-wide Resource Fair for discussion.

Following completion of the draft Plan, residents were able to provide comments at community locations for a 30-day period during March and April.

Following the 30-day comment period, the City Council reviewed the citizen comments and formally adopted the final Consolidated Plan at a public meeting held in late April 2005.

INSTITUTIONAL FRAMEWORK

The effective implementation of the City's 2005-2009 Consolidated Plan rests on many willing shoulders. The Mayor and City Council are strongly committed to operating as an entitlement jurisdiction. In addition to the policy guidance provided by the Mayor and City Council, the City staff are also key contributors to the success of the program. A number of City departments will impact the success of the CDBG program. In addition, the Director and staff of the Department of Community Development will be directly responsible for the effective use of CDBG funds in achieving the goals, objectives, and strategies laid out in the Plan.

The City has a strong working relationship with the community organizations dedicated to improving access to affordable housing, improving economic development opportunities, and supporting the revitalization of local neighborhoods. In particular, the City's relationships with the Housing Authority and the Community Action Council provide a strong foundation for the implementation of the affordable housing strategies included in the Consolidated Plan. In addition to these ongoing collaborations, the City also convenes an ad hoc group to provide assistance with the implementation of its Housing Rehabilitation Program.

In terms of coordination around economic development activities, the City works with a variety of local groups to ensure that its activities are in alignment with their employment and self-sufficiency strategies. These groups include the Port of Chelan County, Wenatchee Valley College, SCORE, Wenatchee Downtown Association, Wenatchee Valley Chamber of Commerce, and the Small Business Development Center. And finally, the City works closely with two organizations that are very involved in Neighborhood Revitalization: Amigos for Community Service and the Wenatchee Downtown Association.

In addition to the coordination of the Plan's strategies with the work of other affordable housing, economic development, and neighborhood revitalization efforts, the implementation of the Plan will include assistance from the many nonprofit organizations that fund and/or deliver housing, economic development, community development, and social services. These agencies include the Housing Authority of Chelan County and City of Wenatchee, the Women's Resource Center, the Domestic Violence Center, Hospitality House, SERVE Wenatchee Valley, the Wenatchee Community Foundation, Habitat for Humanity, the Chelan/Douglas Community Action Council, Skill Source, Wenatchee Valley College, the Wenatchee Chamber of Commerce, SCORE, the Association of Realtors, Hispanic Chamber of Commerce, and the Wenatchee Downtown Association. In addition, public sector agencies such as WorkSource, the Washington State Department of Social and Health Services, and the Chelan-Douglas Health District will play critical roles in achieving the goals set forth in the Plan.

COORDINATION

The City maintains a close and collaborative working relationship with the Housing Authority of Chelan County and City of Wenatchee. The City and the Housing Authority share a mutually-held goal: to increase the amount and quality of low- and moderate-income housing available to residents of the city. The Mayor of Wenatchee, along with County Commissioners of Chelan and Douglas Counties and the Mayors of Cashmere, Chelan, Entiat, Leavenworth, and East Wenatchee appoint the Housing Authority's 11 commissioners. There is a close working relationship between the City and the Housing Authority on a range of housing issues. The Housing Authority manages the programs independently, including contracting for services. In matters of housing development, the City provides guidance in meeting city zoning, land use, and permitting requirements.

The City is committed to ensuring that the implementation of the Consolidated Plan reflects a high level of coordination among City departments, community organizations, the business community, and the neighborhoods. The City staff's excellent working relationship with many community organizations (based on prior planning for and funding of community projects) will be a strong asset to the Plan's successful implementation. In addition, the City staff's creation of the Ad Hoc CDBG Advisory Group provides an additional avenue to increase coordination among the community organizations serving the City's low- and moderate-income households and individuals.

POLICIES

National

The U. S. Department of Housing and Urban Development has established three broad national program goals for the CDBG Program and the Consolidated Plan:

- Decent housing
- A suitable living environment
- Expanded economic opportunities

In addition, HUD has added two areas of emphasis:

- Ending chronic homelessness
- Expanding homeownership

Program activities funded through the CDBG program must primarily benefit low- and moderate-income persons (defined as 80% of the area median income of families).

Local

A number of key documents contain the local policy guidance for issues related to affordable housing, economic development, and neighborhood revitalization. These include:

- *The City of Wenatchee, Capital Improvement Plan, 2005 to 2010.* This Plan describes the community's capital improvement needs and lays out the priorities the City will invest in over the next five-year period. Many of the investment opportunities reflected in the

Plan represent basic infrastructure improvements the City is committed to make in order to maintain the quality of its neighborhoods, business districts, and municipal facilities.

- *Wenatchee – A High Performance Community Strategy.* In 2000, the City commissioned this economic study by the Center for the New West. Implementation of many of the recommendations from this study will support economic development by providing the necessary physical infrastructure and setting, creating a desirable living environment to attract the desired work force and support their family activities, and supporting the development of improved educational facilities.
- *South Wenatchee Community Profile.* This study, prepared by the City of Wenatchee's Department of Community Development in 2000, provides a needs assessment intended to guide improvements in the South Wenatchee neighborhood, including streets and sidewalks, community facilities, utilities, housing, land use, public safety, and parks. The study includes a housing analysis, a consideration of barriers to affordable housing, and an overview of local infrastructure.
- *South Wenatchee Community Preference Survey: Community-Based Income Survey, South Wenatchee, Washington.* The City commissioned this community-driven survey by CC Consulting in 2000. The survey of 424 households in South Wenatchee examined income levels, the community facility and building needs preferences of residents, household concerns (e.g., safety, education, job security), and household size.

POPULATION AND ECONOMY

BACKGROUND

Wenatchee is the seat of Chelan County, located almost exactly in the middle of the state, just outside of the Wenatchee National Forest. The city's name comes from its early inhabitants, the P'sqous, and means "waters issuing forth from canyon," or "robe of the rainbow," depending on the translation.¹ The Wenatchee Valley was settled during the 1870s by ranchers, traders, and apple growers, who established a trading post near present-day Wenatchee. During the 1880s and 1890s, railroads were built in the region, spurring heavy migration into the area. Railroads, combined with steamboats traveling up and down the Columbia River, allowed for exports of the area's crops. The city was incorporated in 1893. The apple production industry expanded steadily over the next several years, in part due to irrigation ditches and canals, and later, the Highline Canal.²

In 1925, the Wenatchee Packing Corporation (now known as the Wenatchee Canning Company) became the first fruit cannery in Chelan County. In the 1940s, the Valley Evaporating Company increased the area's economic reliance on apples, and in the 1960s, the Chelan Packing Company became a major juice processor (later sold to Tree Top in the 1970s). During the 1950s, between 16,000 and 22,000 railroad carloads of apples were produced in Chelan County, accounting for an annual payroll of approximately \$20 million.³ Apple production is still a major industry in the Wenatchee Valley today.

However, in the 1990s, the fruit industry lost some of its relative importance in the economy of Wenatchee, mainly due to foreign competition. Retail, health care, and educational services have combined with a fluctuating manufacturing sector to create a relatively diverse economy in the area. The mild climate, area waters, and other rich natural amenities have brought a substantial

¹ City of Wenatchee, *South Wenatchee Community Profile*, March 2000.

² Employment Security Department, *Chelan and Douglas County Profile*, September 2002.

³ Ibid.

number of people to Wenatchee in recent years, both tourists and residents, with the population nearly doubling since 1970.⁴

POPULATION

Population Growth

Wenatchee had strong growth in the 1990s. Between 1990 and 2000, Wenatchee's population grew 28%, similar to the growth rate of Chelan County (27%) but substantially higher than that of Washington State as a whole (21%). Wenatchee's population represented 42% of the total county population during both census years.

Table 1
Population, 1990 and 2000

Location	Year		Percent Change
	1990	2000	1990-2000
Wenatchee	21,756	27,856	28%
Chelan County	52,250	66,616	27%
Washington	4,866,692	5,894,121	21%
Source: U.S. Census.			

Migration into Wenatchee and Chelan County comprised 71% of this growth pattern. Between 1990 and 2000, 10,073 people moved to Chelan County.⁵ However, most of this increase occurred during the first five years of the decade, with only 639 people migrating into the county between 1996 and 2000. Net migration for the county is expected to be 5,309 from 2000 to 2010, accounting for approximately 57% of total growth.⁶

⁴ *Wenatchee: A High Performance Community Strategy*, 2000.

⁵ Natural increase accounted for a population increase of 4,293 individuals from 1990 to 2000.

⁶ Washington State Office of Financial Management (OFM), 2004.

Since 2000, population growth in Chelan County and Wenatchee has slowed. Chelan County's population projections do not track median projections. For example, in 2003, Chelan County's median projection for population was 69,348. The actual 2003 population, however, was 67,900, or 2.1% lower than projected. Assuming that this trend continues, population for the county may not grow as much as initially projected. Between 2000 and 2004, the county grew by 2.7% and the city grew by 3.2%. Compared to the 1990s, these four-year growth rates equate to merely a single-year average for the 1990 to 2000 period. During the 1990s, Chelan County grew an average of 2.7% a year, and the City of Wenatchee grew an average of 2.8% per year. If this trend continues, growth would not come close to the strong growth experienced between 1990 to 2000.⁷

Population figures also indicate that the elderly population ages 65 and older, which consistently increased in actual numbers from 1990 through 2000, declined as a percentage of total population over the same time period and continues to do so. From 1990 to 2000, the 65 years and older population in Chelan County declined from 16% to 14%.⁸ The county's population of persons ages 65 and older continued to decrease between 2000 and 2004. Individuals ages 65 and older now comprise an estimated 13% of the total population in the county.⁹

Factors affecting recent population trends include changes in the area's agricultural sector. According to the USDA's Washington Agricultural Statistics Service and the 1997 Census of Agriculture, the total apple acreage in Washington State increased from 172,000 acres in 1993 to 204,674 acres in 1997. Total acreage under production, however, declined to 192,000 acres by 2001. In Wenatchee, a sharp decline (40%) in the Red Delicious varietal acreage occurred between 1993 and 2001. However, the Wenatchee area's other apple varieties increased by 71% over the same time period. Simultaneously, acreage devoted to the cherry industry increased from 4,800 acres to 6,500 acres, an increase of 35.4%.¹⁰

⁷ OFM Forecasting Division, 2004.

⁸ U.S. Census.

⁹ OFM Forecasting Division, 2004.

¹⁰ USDA, Washington Agricultural Statistics Service, 2004.

All of these changes within the agricultural sector affected labor needs and account for at least a portion of the strong growth in population in the early 1990s and the subsequent slowing of population growth. Agricultural trends also affected migration patterns, partially explaining a large increase in the area's Hispanic population.

Figure 1 on the following page shows the 2000 census tracts and block groups in Wenatchee. This will serve as a reference for the maps presented and discussed in subsequent sections of this report.

Age

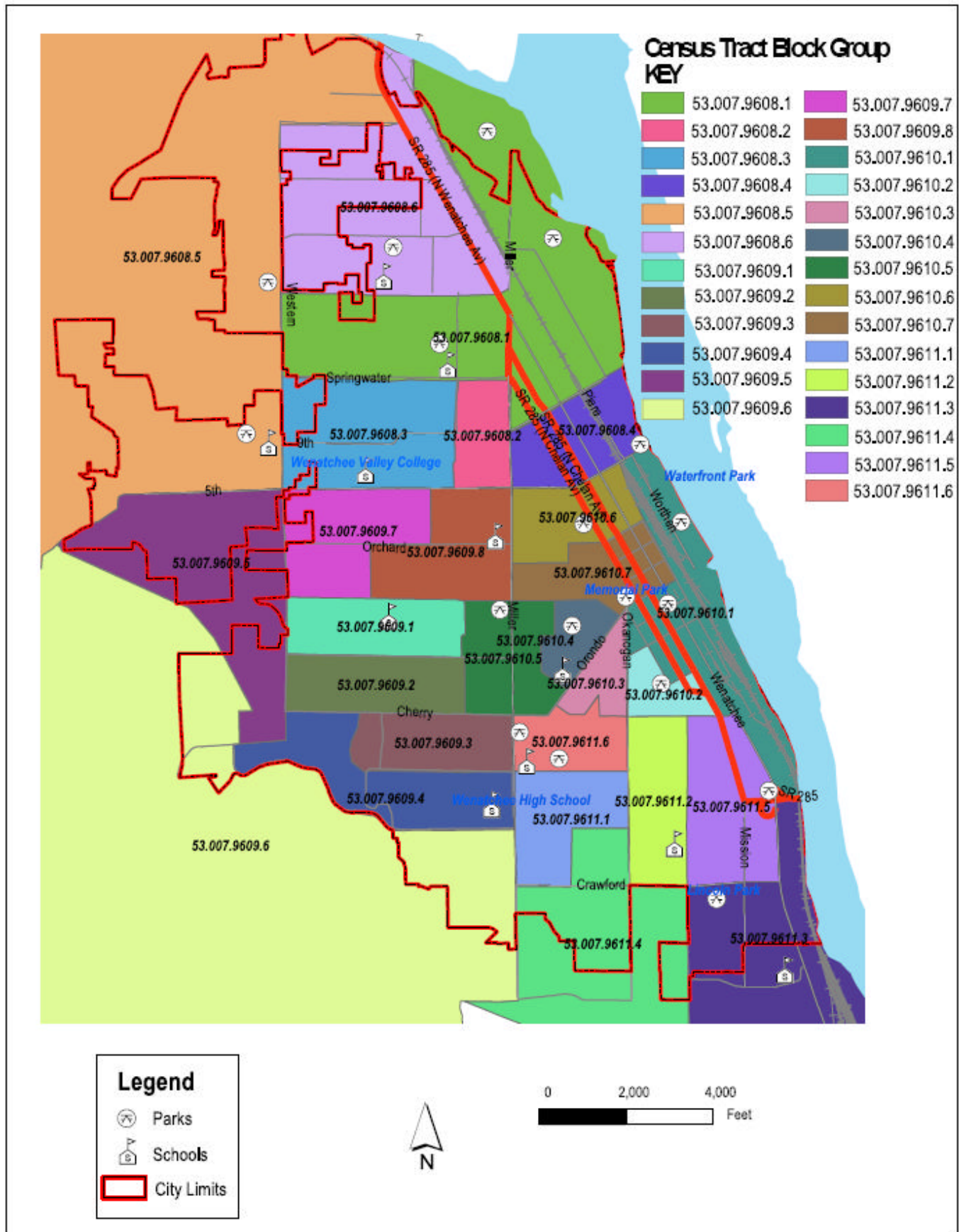
By the 2000 Census, the median age of the population in the United States was 35.3 years, a significant jump of over two years from the previous census. This increase was due in large part to the aging of baby boomers (i.e., those born between 1946 and 1964). The “boomers” are pushing up the percent of the population between the ages of 45 and 64 years. At the same time, however, the population 65 years and older increased at a slower rate than the general population because of the relatively lower birth rates in the late 1920s and early 1930s.¹¹

Table 2
Age of Population, 2000

Age	Wenatchee	County	State	U.S.
Birth to 17 years	27%	28%	26%	26%
18 to 44 years	38%	35%	40%	43%
45 to 64 years	19%	23%	23%	19%
65 and older	15%	14%	11%	13%
Median Age	34.0	36.3	35.3	35.3
Source: U.S. Census.				

¹¹ U.S. Census.

Figure 1
Wenatchee Census Tract and Block Group Index Map



The “boomers” have probably contributed to the rise in the percent of Wenatchee’s population between 45 and 64 years: this age group rose from 17% of Wenatchee’s total population in 1990 to 19% in 2000.

The percent of people 65 years and older is somewhat higher in Wenatchee than in Chelan County and Washington. However, as a percentage of the total population, the 65 years and older population decreased from 18% in 1990 to 15% in 2000, even as the population increased in actual numbers. The same trend occurred in the county as a whole: the proportion of the population ages 65 and older decreased from 16% to 14%. This may be due in part to the large increase in the number of large families in the area (large family households rose by 57% between 1990 and 2000), as well as the growth of the baby boomer population. In Chelan County, the 65 years and older age group is expected to stabilize at 14% over the next 10 years, before it begins to increase again to 15% in 2015.¹²

The retired population has a significant impact on the economy, industry, and services. By law, this population is eligible to live in legally “age-restricted” communities, which, while meeting the housing and service demands of one segment of the population, can reduce housing choices for others.¹³ Most elderly living in age-restricted communities in Wenatchee live in one of several multi-family housing developments that are designated for elderly and disabled. Some of these are specifically designated for low-income elderly. A few mobile home parks are also designated as age-restricted communities.

In 2000, the median age of the population in Wenatchee (34.0 years) was substantially younger than in Chelan County (36.3 years) and also younger than Washington State and the nation (35.3 years). While retirees are affecting the median age and population age distribution across the nation, the percent of children from birth to 17 years of age in Wenatchee (27%) was only slightly higher than Washington State (26%) and the United States (26%) in 2000. In 2002, however, the Washington State Office of Financial Management projected that, in Chelan County, the proportion of the population who are ages birth to 19 would decrease from 31% to

¹² OFM, 2002.

¹³ National Association of Home Builders (NAHB) Housing Facts, Figures, Trends, 2003.

29% between 2000 and 2010. Similarly, OFM projects that the population ages 20 to 44 will decrease in proportion from 33% to 31% during the same period. The population ages 45 to 64, however, is projected to grow from 23% to 26% of the total Chelan County population between 2000 and 2010.¹⁴

Race and Ethnicity

Because of changes in the racial/cultural definitions used in the 2000 U.S. Census, a comparison of the population composition in 2000 with that in 1990 cannot be completely accurate. For the first time, the 2000 Census allowed designation of two or more races. Designation of ethnicity (i.e., Hispanic or non-Hispanic) remained unchanged between 1990 and 2000, but the flexibility in choice of race may have influenced designations of Hispanic origins in the Census. Over time, these changes will provide a more accurate picture of diversity in all communities. In the meantime, the changes make it difficult to assess recent trends in race and ethnicity with certainty.

Wenatchee is less racially diverse than the United States. However, it is slightly more racially diverse than Chelan County or Washington State. In terms of ethnicity, Hispanics make up a larger percent of the population in Wenatchee than in the county or the state. Between 1990 and 2000, the Hispanic population of Wenatchee grew by 220% to 5,996, nearly half of the total county Hispanic population.

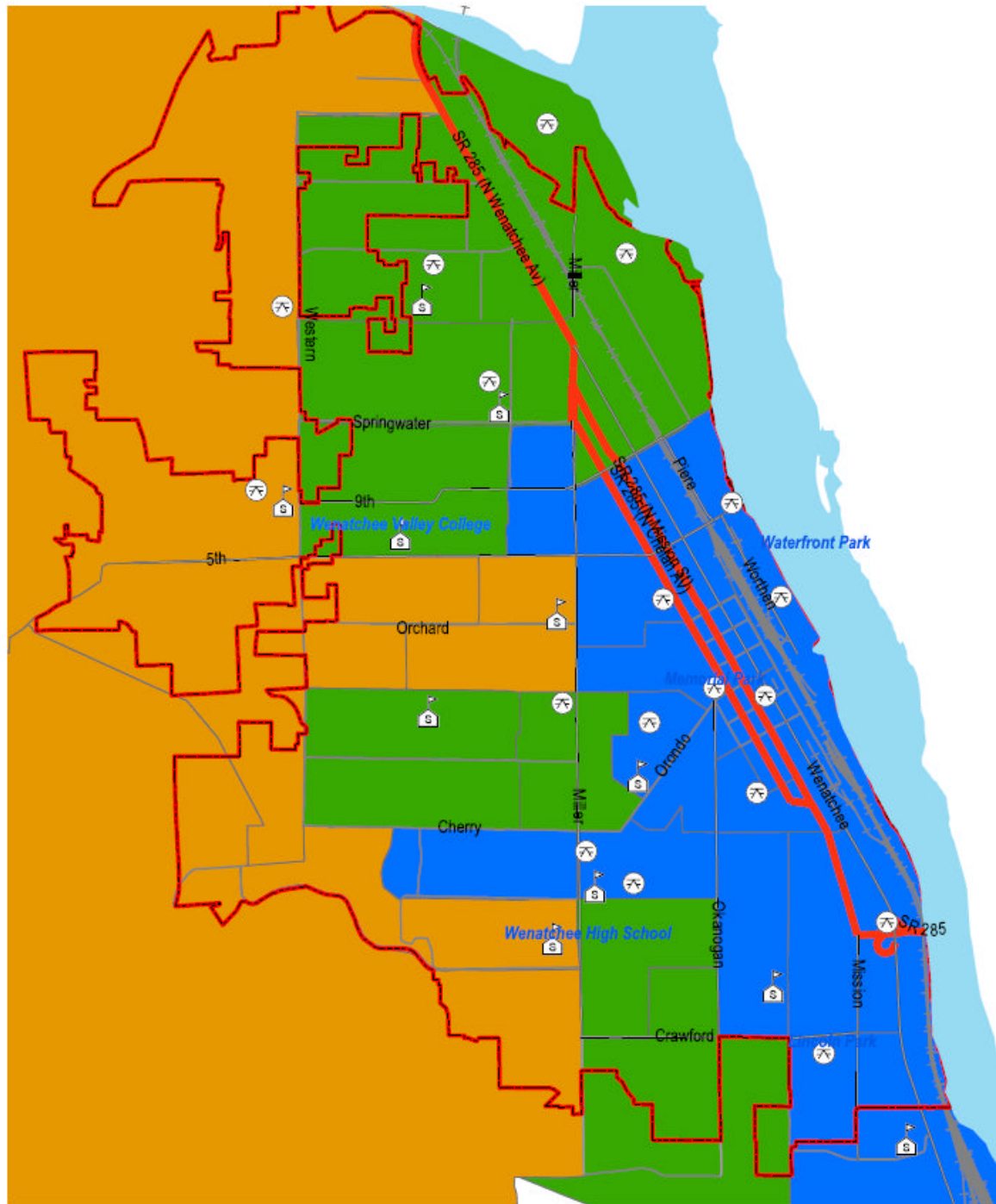
¹⁴ OFM, Forecasting Division, 2002.

Table 3
Population by Race and Ethnicity, 2000

Race	Location			
	Wenatchee	County	State	U.S.
White alone	81%	84%	82%	75%
Black/African-American alone	<1%	<1%	3%	12%
American Indian or Alaska Native alone	1%	1%	2%	1%
Asian or Pacific Islander alone	1%	1%	6%	4%
Other race alone	14%	12%	4%	6%
Two or more races	3%	2%	4%	2%
Ethnicity	Wenatchee	County	State	U.S.
Hispanic/Latino (of any race)	9%	6%	8%	13%
Source: U.S. Census.				

Figure 2 shows the percent non-Hispanic white population by block group, illuminating areas of the city with concentrations of racial or ethnic minority populations. For purposes of this Consolidated Plan, “areas of minority concentration” are defined as census tracts where 20% or more of the population is racial or ethnic minority. In terms of the map, these are areas in which 80% or less of the population is non-Hispanic white. By this definition, block groups 9608.2, 9608.4, 9609.3, 9610.1, 9610.2, 9610.3, 9610.4, 9610.6, 9610.7, 9611.2, 9611.3, 9611.5, and 9611.6 had a disproportionate share of minority population as of the 2000 Census. This includes nearly all communities in east and southeast Wenatchee.

Figure 2
Percent Non-Hispanic White by Census Block Group



Legend

Percentage of Non-Hispanic White

- | | |
|--|---|
| 90% or more | P Parks |
| 80 - 89% | S Schools |
| 79% or less | City Limits |

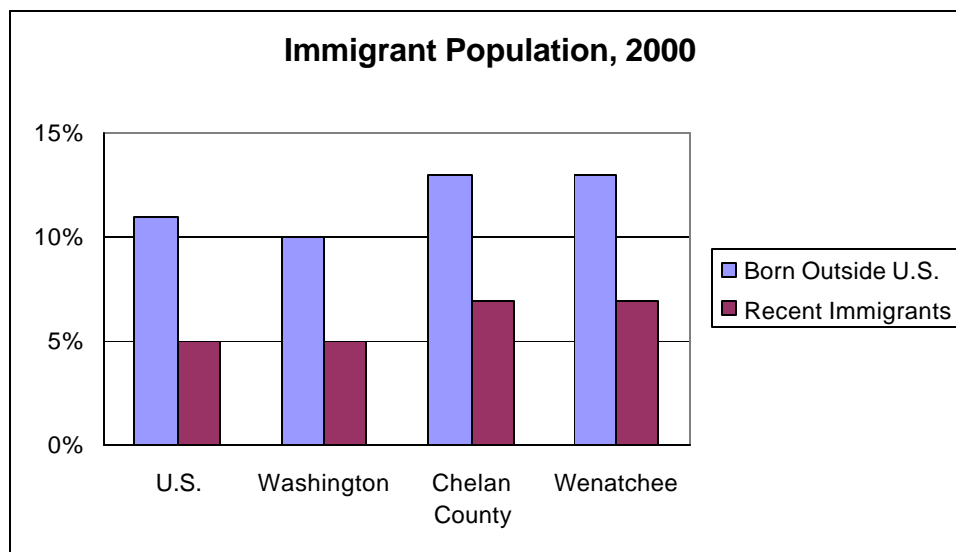
0 2,000 4,000
Feet



Languages Spoken and Linguistic Isolation

The 2000 Census found that 11% of the United States population was born outside the country (i.e., not U.S. citizens at birth). Just under 5% of people in the United States were recent immigrants, having arrived between 1990 and March 2000. In Washington, 10% of the population was born outside the United States in 2000, compared to 13% in both Wenatchee and Chelan County as a whole. Recent immigrants (i.e., entry since 1990) comprised 7% of the population in both the city and the county, compared with 5% across the state.

Chart 1



Immigrants face significant disadvantages when entering the country. Among these are weak to no English language skills, adjusting to a different role of government, and the difficulties of adapting to a new culture, lifestyle, food, climate, and customs, all of which can be daunting. Furthermore, recent immigrants often find their job skills incompatible with the local job market. Vocational training and English language classes can be supportive of efforts to integrate these populations into the local economy.

Almost 21% of the population in Wenatchee over five years of age spoke a language other than English in the home in 2000, and 58% of this group spoke English "less than well," which implies some degree of difficulty. Whether new to the country or longer-term residents, people with limited English-language skills face barriers in accessing services and understanding important life transactions. This includes such things as comprehension of legal rights,

understanding how to qualify for and buy a home, communicating with health-care professionals, and more routine day-to-day activities. Linguistic isolation can be a critical barrier in emergencies.

The Census identifies “linguistic isolation” as a case in which no person in the household 14 years old or older speaks only English, or speaks a non-English language and speaks English “very well.” In other words, all persons in the household who are 14 years or older have at least some difficulty with English. In 2000, 1,841 people (7% of the population of Wenatchee) were considered linguistically isolated. This is a higher percentage than the state (4%) and the nation (5%). The predominant language spoken in Wenatchee’s linguistically-isolated homes was Spanish (91%).

Households and Household Composition

The total number of households in Wenatchee increased by 20% between 1990 and 2000, compared to a 28% increase in the total population during the same period. Not surprisingly, the number of large family households rose by 57%. At the same time, Wenatchee’s family households (64%) comprised less of the population than those in the county (69%) in 2000, and single households comprised 30% of Wenatchee’s total household population, compared with 25% in the county.

In 2000, there was a higher percentage of elderly (65 years and over) single individuals living alone in Wenatchee than in Washington and the nation. Fully 13% of households in Wenatchee in 2000 were single individuals 65 years of age and older living alone. That corresponds to 9% in Washington and 8% nationally. Eleven percent of Chelan County households in 2000 were single elderly individuals. This suggests a greater need for in-home care for the elderly than in most communities.

Table 4
Wenatchee Households, 1990 and 2000

Type of Household	1990		2000	
	Number	Percent	Number	Percent
Non-family households	3,342	37%	3,860	36%
Single	2,853	32%	3,229	30%
Elderly Single	(1,377)	(15%)	(1,438)	(13%)
Small (2-4 people)	486	5%	615	6%
Large (5+ people)	3	<1%	16	<1%
Family households	5,644	63%	6,881	64%
Small (2-4 people)	4,891	54%	5,702	53%
Large (5+ people)	753	8%	1,179	11%
Total households	8,986	100%	10,741	100%
Average household size	2.4		2.5	
Source: U.S. Census.				

The average household size in the United States in 2000 was 3.14 persons per household. Nationally, the average household size has been declining. Household sizes are becoming smaller for several reasons, including smaller families, childless couples, single-parent households, and an increase in the number of “empty-nesters” as the baby boomers age, to name some of the reasons. However, Wenatchee household size actually increased from 2.36 in 1990 to 2.53 in 2000, equal to the state average. This can be largely attributed to the significant increase in large family households during the period.

Group Quarters

Two percent of Wenatchee’s population in 2000 lived in group quarters, approximately the same as Chelan County and Washington State. There are two types of group quarters: institutionalized and non-institutionalized. Among the institutionalized population, the highest percentage of individuals (29%) lived in nursing homes, at a rate nearly double that of the state.

However, the number of nursing homes declined by 20% between 1990 and 2000. Thirty-six percent of the institutionalized population in Wenatchee lived in correctional institutions in 2000.

ECONOMY AND EMPLOYMENT

Employment Trends

As in Washington State as a whole, unemployment rates decreased slightly from 2002 to 2004 in Chelan County. However, jobs added during that period were primarily lower-paying service and retail positions. The top three minimum wage-earning industries in Washington were Accommodations and Food Services, Retail Trade, and Agriculture and Forestry.¹⁵ In 2004, the minimum wage in Washington State was \$7.16, far below the wage needed for a family of four to afford rent for a three-bedroom home in Wenatchee.

Manufacturing jobs were the highest paying jobs, averaging \$3,248 per month in the third quarter of 2003, whereas retail trade, for example, earned an average of \$1,941 per month.¹⁶ However, manufacturing jobs continue to decline overall in the county and the state, comprising just 6% of total employment in Chelan and Douglas Counties in June 2004.¹⁷

In Chelan County, the job turnover rate was about 12% in 2003, compared to 10% in the state as a whole.¹⁸ This is probably largely due to the high proportion of seasonal school district, recreation, tourism, retail, service, and agricultural jobs in the county. In May 2004, 68% of job vacancies in the North Central area of Washington (including Chelan, Douglas, Grant, Adams, and Okanogan Counties) were for seasonal agricultural jobs.¹⁹ Apple work was by far the largest

¹⁵ Washington State Employment Security Department, *Minimum Wage Earners in Washington State*, 2004.

¹⁶ U.S. Census Bureau, Longitudinal Employer-Household Dynamics Program, February 2005.

¹⁷ Washington State Employment Security Department, Labor Market and Economic Analysis Branch, 2004.

¹⁸ Washington State Employment Security Department, Labor Market and Analysis Branch, 2004.

¹⁹ Washington State Employment Security Department, Labor Market and Analysis Branch, *Washington State Job Vacancy Survey*, May 2004.

source of seasonal agricultural employment in this five-county region in 2004, gaining nearly 3,000 jobs from October 2003 to October 2004. In this region, the weighted seasonal average hourly wage for farm workers was \$7.35 in October 2004.²⁰

Major employers in Chelan County (i.e., those that employ over 350 people) are shown in Table 5. (A more complete list is included in Appendix A.) In 1999, nearly 10,000 persons in Chelan County were employed by large employers.²¹ At the end of 1999, the largest employers in the county were the State of Washington (1,186 employees) and Wenatchee Public Schools (1,028 employees). ALCOA, located in Wenatchee, was the largest manufacturing employer with 591 employees. However, the smelter at the aluminum plant was idle for over three years, beginning in July 2001, leaving its several hundred workers in jeopardy. To save these jobs, ALCOA negotiated an agreement with the United Steelworkers of America and the Aluminum Trades Council of Wenatchee in October 2004 to restart two of the four lines at the smelter. In December 2004, the company began to bring its work force back on with the promise of increasing pot line production in the near future. Currently, 398 people are employed by the plant in Wenatchee. The ramp-up is expected to be completed by mid-2005, according to the company.²² Pacific Aerospace & Electronics, also located in Wenatchee, was the second largest manufacturing employer in the county, with 492 employees in December 1999.

²⁰ Washington State Employment Security Department, Labor Market and Analysis Branch, *Seasonal Farm Labor and Wage Trends*, October 2004.

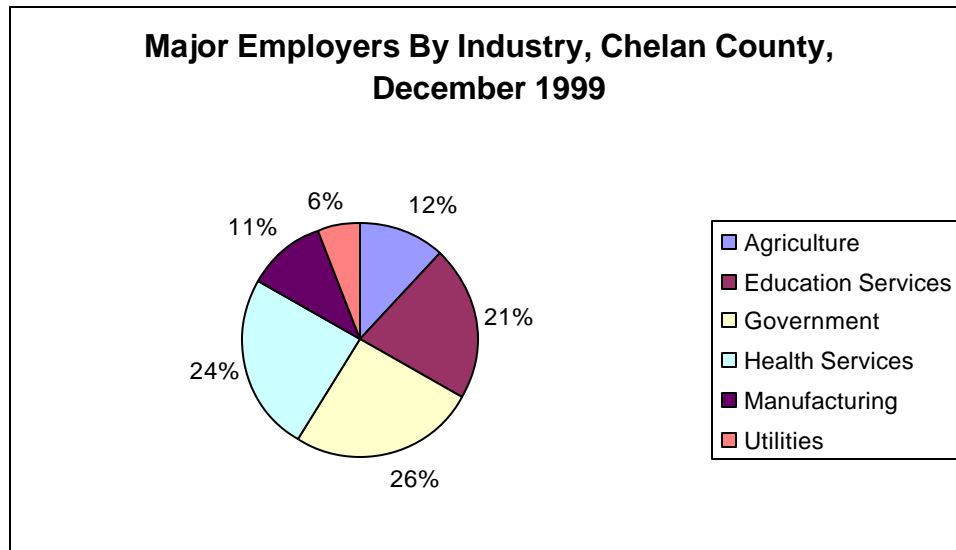
²¹ Quest for Economic Development Top Employers Survey, 1999.

²² www.alcoa.com/locations/usa_wenatchee/en/home.asp

Table 5
Major Employers, Chelan County, December 1999

Company	Type of Company	Number of Employees
State of Washington	Government	1,186
Wenatchee Public Schools	Education Services	1,028
Central Washington Hospital	Health Services	1,000
Wenatchee Valley Clinic	Health Services	885
U.S. Government	Government	860
Stemilt Growers	Agriculture	754
Eastmont School District	Education Services	662
ALCOA	Manufacturing	591
Chelan County PUD	Utilities	559
Triple C Convalescent Center	Health Services	510
Pacific Aerospace & Electronics	Manufacturing	492
Chelan County	Government	464
Dole Northwest	Agriculture/Wholesale	408
Wenatchee Valley College	Education Services	391
Source: Quest for Economic Development Top Employers Survey, 1999.		

Chart 2



Unemployment

Between 1990 and 2004, the unemployment rate in Chelan County was significantly higher in each biennial period than Washington State. As recently as November 2004, the unemployment rate in Chelan County was 7.4%, compared to 5.6% in Washington State.²³ As can be seen in Table 6, Chelan County unemployment rates are historically higher than state rates, frequently by three to four percentage points.

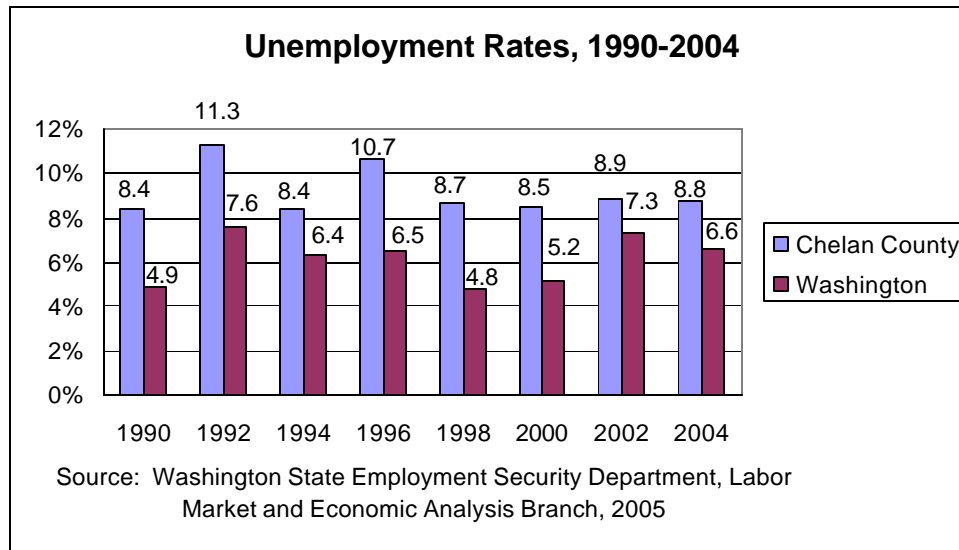
Table 6

Unemployment Rates, 1990-2004 (Biennial)

Location	Year							
	1990	1992	1994	1996	1998	2000	2002	2004
County	8.4	11.3	8.4	10.7	8.7	8.5	8.9	8.8
State	4.9	7.6	6.4	6.5	4.8	5.2	7.3	6.6
Source: Washington State Employment Security Department, Labor Market and Economic Analysis Branch, 2005.								

²³ Washington State Employment Security Department, Labor Market and Economic Analysis Branch, 2004.

Chart 3



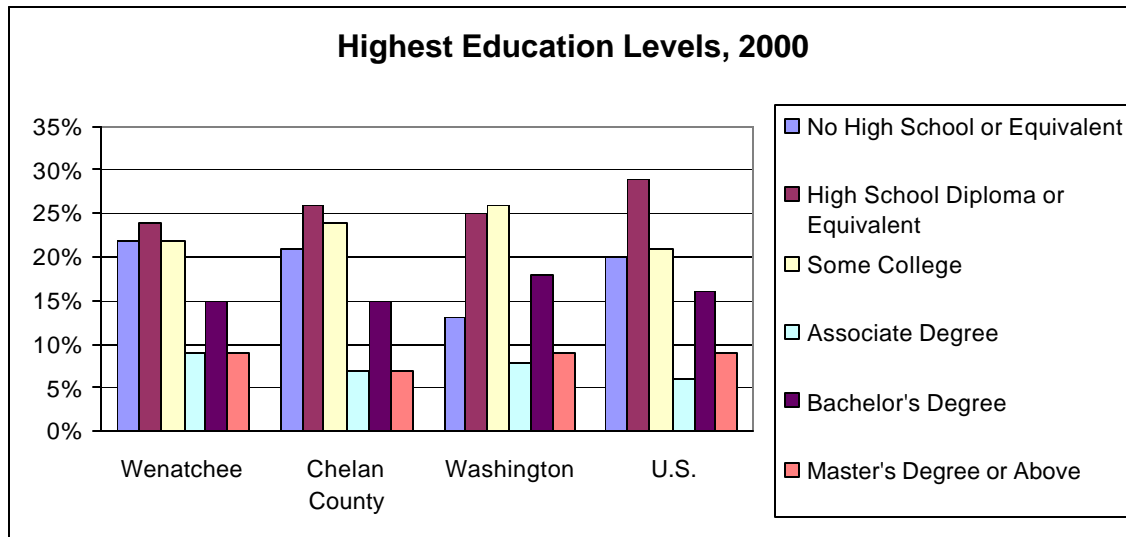
Education and Workforce Development

At the time of the 2000 Census, Wenatchee's population had an education level slightly lower than that of the state. A significantly higher percent of Wenatchee's residents 25 and older, however, lacked a high school diploma or the equivalent (22%) than was true of the state as a whole (13%). Slightly fewer Wenatchee residents (32%) held an associate college degree or higher, compared to 35% in the state.

Table 7
Highest Education Levels, 2000
(Population Ages 25 Years and Older)

Highest Education Level Attained	Wenatchee	County	State	U.S.
No high school diploma or equivalent	22%	21%	13%	20%
High school diploma or equivalent	24%	26%	25%	29%
Some college	22%	24%	26%	21%
Associate degree	9%	7%	8%	6%
Bachelor's degree	15%	15%	18%	16%
Master's degree or above	9%	7%	9%	9%
Source: U.S. Census.				

Chart 4



According to the Bureau of Labor Statistics, education levels are proportional to both unemployment rates and median weekly earnings. While the unemployment rate in the U.S. for a high school dropout was 7.3% in 2001, it was 4.2% with a high school diploma, 2.5% with a bachelor's degree, 2.1% with a master's degree, and 1.1% with a doctoral degree.²⁴ Furthermore, for all college degrees from an associate to doctoral, earnings exceed the median wage.²⁵ In 1996, those without a high school diploma or equivalency earned 60% less than those with some college and 120% less than those with a bachelor's degree.²⁶ These data would suggest that the elevated high school drop-out rate in Wenatchee, compared to the U.S., would result in generally lower earnings expectations for a significant portion of its population.

²⁴ Bureau of Labor Statistics, 2001.

²⁵ Oregon Labor Market Information System (1998). *The Value of a College Degree*.

²⁶ Bureau of Labor Statistics, 1996.

Table 8
Median Weekly Earnings, 1996,
By Level of Educational Attainment

Highest Education Level Attained	Median Weekly Earnings*
High school drop-out	\$317
High school graduate	\$443
Some college	\$504
Associates degree	\$556
Bachelor's degree	\$697
Master's degree	\$874
Doctoral degree	\$1,088
*Based on those 25 or more years of age who are working full-time.	
Source: Bureau of Labor Statistics.	

In May 2004, the median wage offered in Washington for job vacancies with no educational requirement was \$7.75/hour. For jobs requiring a high school diploma, it was \$9.80/hour. With a bachelor's degree, the median wage was \$21.81/hour, and for a graduate degree, it was \$25.00/hour. On average, job openings in the state requiring education beyond high school are more likely to be full-time (82%) and permanent (91%).²⁷

Household Income

Household incomes in both Wenatchee and Chelan County were substantially lower than the state and national household incomes in 2000. While income measures shown in the table below for Wenatchee generally exceeded those in the county, all measures were below those in Washington and the nation as a whole. However, this gap narrowed between the 1990 and 2000 census years when Wenatchee's income measures all rose substantially: median household income (MHI) increased by 53%; per capita income (PCI) increased by 60%; and median family

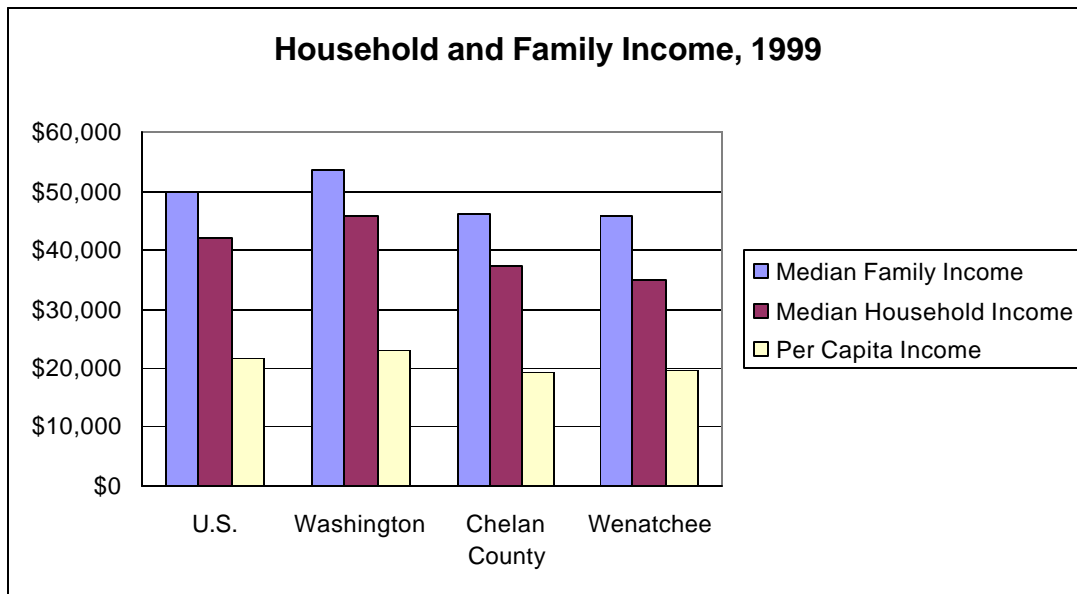
²⁷ Washington State Employment Security Department, Labor Market and Analysis Branch, *Washington State Job Vacancy Survey*, May 2004.

income (MFI) increased by 57%. Comparatively, the state's MHI increased by 47%, the PCI increased by 54%, and the MFI increased by 46%.

Table 9
Household and Family Income, 1999

Income Measure	Wenatchee	County	State	U.S.
Median household income	\$34,897	\$37,316	\$45,776	\$41,994
Per capita income	\$19,498	\$19,273	\$22,973	\$21,587
Median family income	\$45,982	\$46,293	\$53,760	\$50,046
Median earnings male*	\$35,245	\$35,065	\$40,687	\$37,057
Median earnings female*	\$26,063	\$25,838	\$30,021	\$27,194
*Working full-time, year-round. Source: U.S. Census.				

Chart 5



Median family income in Wenatchee in 1999 was higher than median household income, which is generally the case. There are fewer families than households, many including more than one wage earner. (Households include single individuals living alone.) Figure 3, found on page 31, shows the 1999 median household income in Wenatchee by block group. As of the 2000

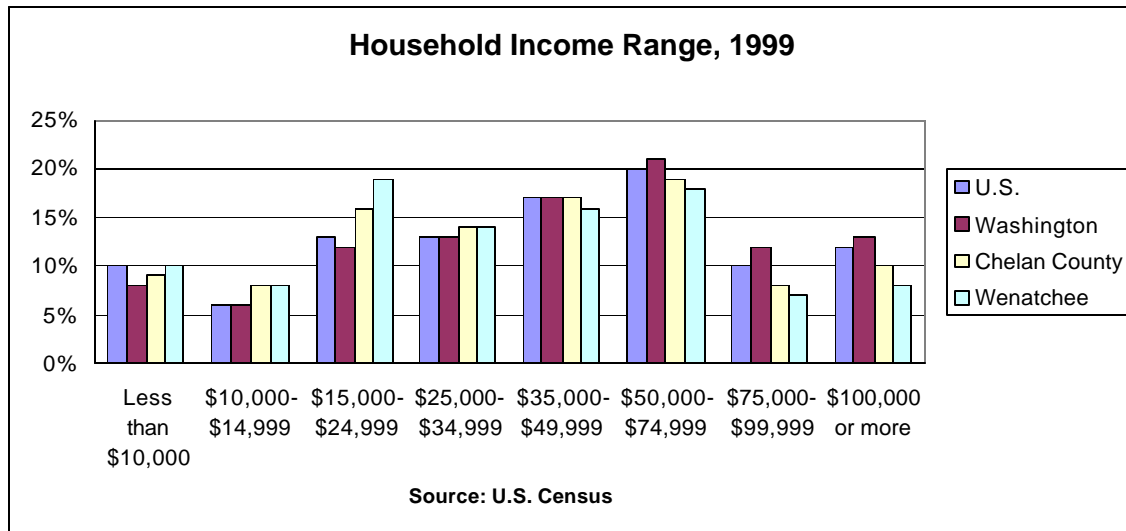
Census, areas with the lowest median household income were located in the eastern and southeastern sections of Wenatchee, closest to the river, including the downtown area. Areas with the highest median household income were located on the western side of Wenatchee along the urban growth boundary.

In Wenatchee, 37% of the population made less than \$25,000 per year and 8% were in the top income bracket, making \$100,000 or more per year in 1999. These numbers are remarkably different than the state, where 13% of the population made \$100,000 or more and only 25% made less than \$25,000 per year. Wenatchee clearly has fewer “top end” households. The disparity in median annual earnings for males and females in Wenatchee is reflective of the county, state, and national gap of approximately \$10,000.

Table 10
Median Household Income Range, 1999

Income Range	Wenatchee		County	State
	Number	Percent	Percent	Percent
Under \$15,000	1,918	18%	17%	13%
\$15,000 to \$24,999	2,016	19%	16%	12%
\$25,000 to \$34,999	1,450	14%	14%	13%
\$35,000 to \$49,999	1,717	16%	17%	17%
\$50,000 to \$74,999	1,944	18%	19%	21%
\$75,000 or more	2,230	21%	23%	32%
Source: U.S. Census.				

Chart 6



Median income for households with Hispanic householders was 25% lower in 1999 than the median household income for all households (\$26,127 compared to \$34,897) in Wenatchee. This exceeds the disparity at the national level where median household income of households with Hispanic householders was 20% lower than all households.

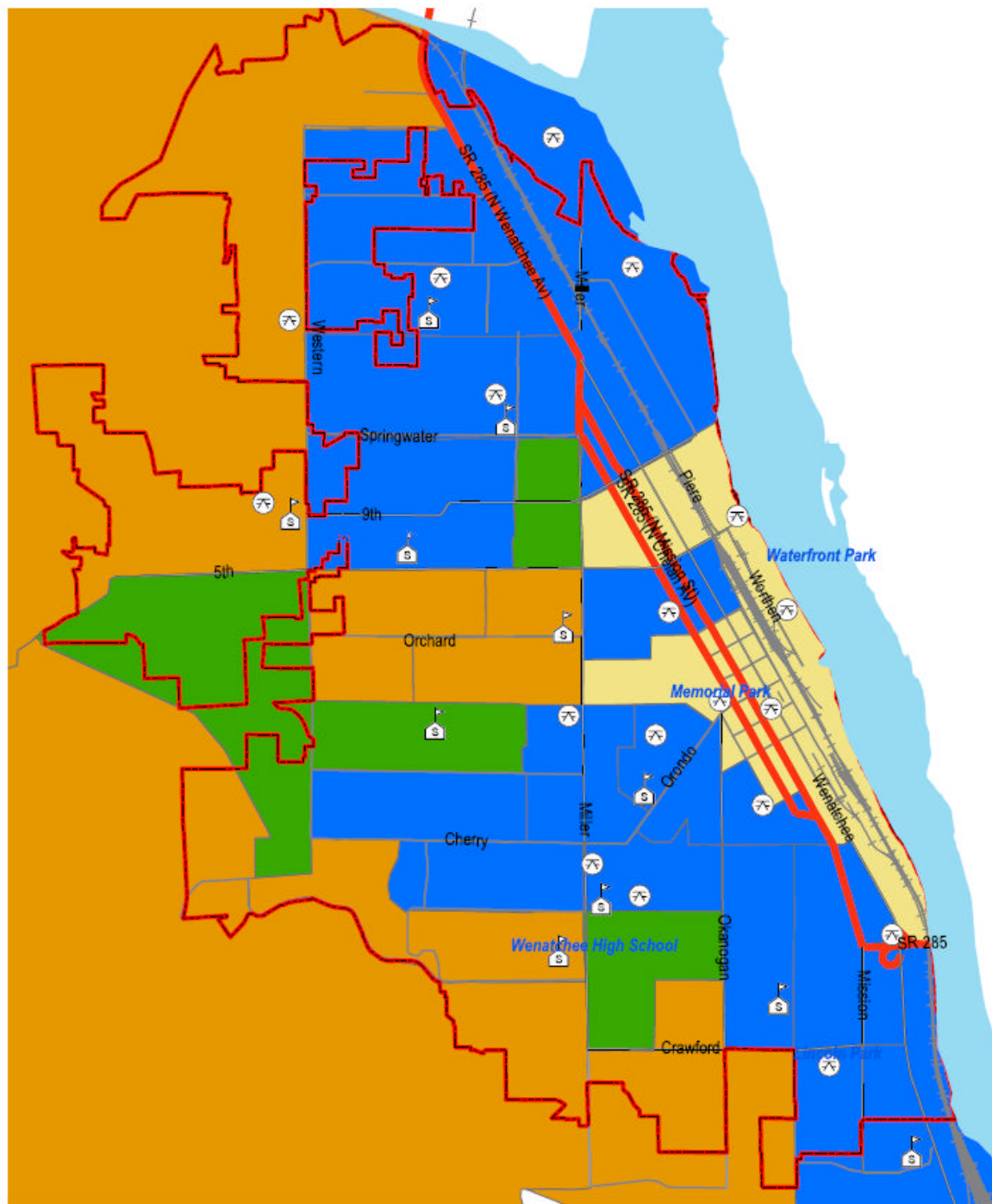
Since 1999, median household income has shown very little gain. Between 2000 and 2004, the state's median income increased by 7%. However, Chelan County's median household income grew by only 1.5%, from \$39,137 in 2000 to \$39,737 in 2004. The greatest blow to income in Chelan County came in 2002 and 2003 when median household incomes decreased by almost 4%, from \$40,239 in 2002 to \$38,694 in 2003.

Table 11

Median Household Income, 2000-2004

2000-2004	2000	2001	2002	2003 (Preliminary Estimate)	2004 (Projection)
Chelan County	\$39,137	\$40,015	\$40,239	\$38,694	\$39,737
Washington State	\$48,397	\$49,286	\$49,771	\$50,664	\$51,762
Source: OFM Forecasting, <i>State of Washington</i> , October 2004.					

Figure 3
Median Income by Census Block Group



Legend

Median Income

Orange \$50,000 or more

Green \$35,001 - \$50,000

Blue \$20,001 - \$35,000

Yellow \$20,000 or less

Parks

Schools

City Limits

0 2,000 4,000
Feet



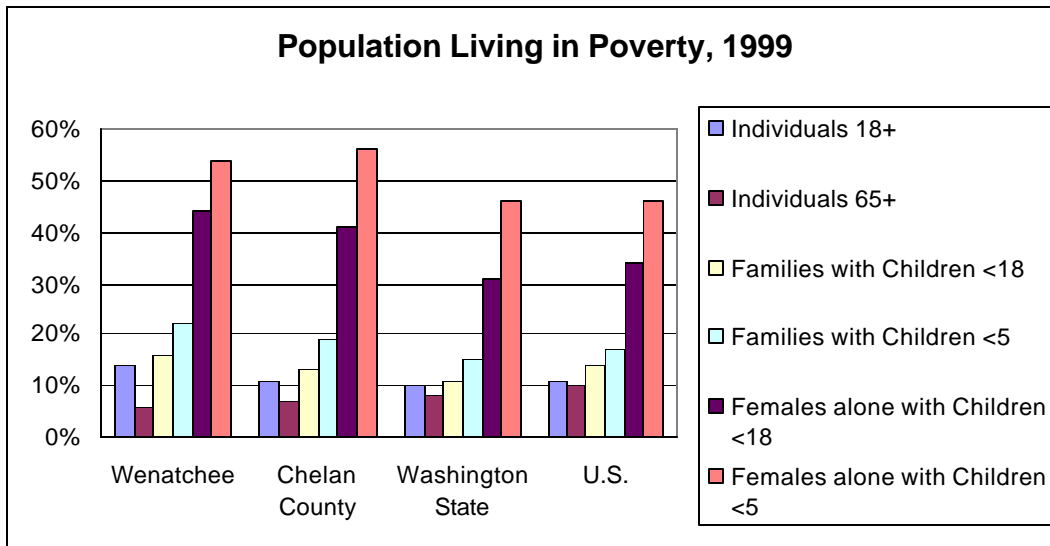
Population Below Poverty

Poverty is a major issue for many households in Wenatchee. In fact, for most population groups, the percent of the population in Wenatchee living in poverty was higher than the county and the state during the 2000 Census. Fifteen percent of the total population in Wenatchee was living in poverty in 1999, compared to 11% in the state as a whole. Eleven percent of all families in Wenatchee were living in poverty, slightly higher than county and national percentages. Families with children, especially those with children under the age of 18, were more frequently living in poverty than families as a whole.

Table 12
Percent of Population Living in Poverty, 1999

Population Group	Wenatchee	County	State	U.S.
Individuals	15%	12%	11%	12%
Individuals 18 or older	14%	11%	10%	11%
Individuals 65 and older	6%	7%	8%	10%
Families	11%	9%	7%	9%
Families with children <18	16%	13%	11%	14%
Families with children <5	22%	19%	15%	17%
Females alone with children <18	44%	41%	31%	34%
Females alone with children <5	54%	56%	46%	46%
Source: U.S. Census.				

Chart 7



The incidence of poverty among Wenatchee families with children headed by females is much greater than in the state and the U.S.: 44% of female head of households with children under 18, and 54% of those households with children under the age of 5, were living in poverty.

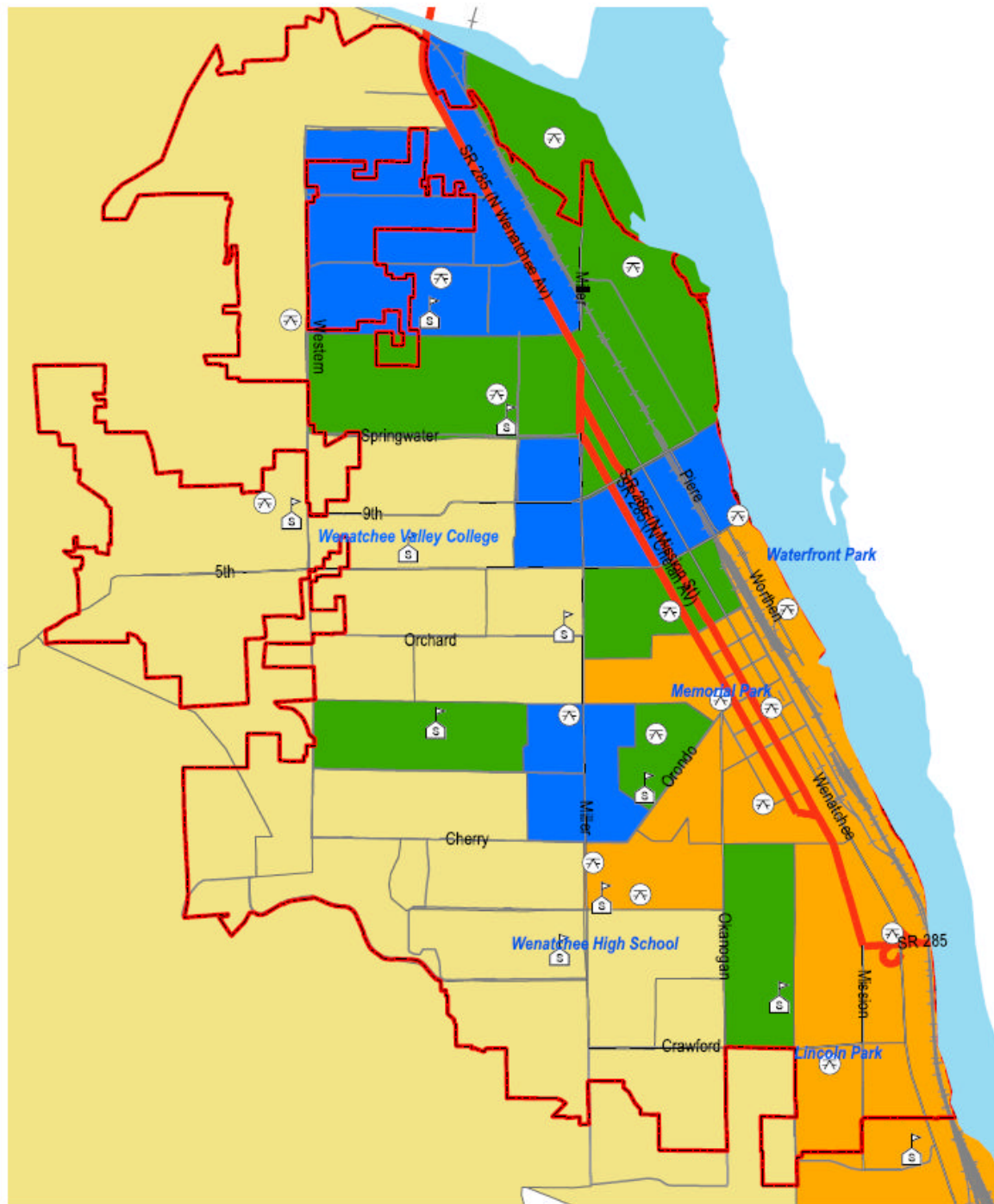
Figure 4, found on page 34, shows the percent of the population living in poverty by block group. Areas with the highest concentration of poverty as of the 2000 Census were the downtown and southeastern areas of Wenatchee.

Low- and Moderate-Income Neighborhoods

For purposes of the Consolidated Plan, areas of lower-income concentration are defined as areas in which 51% or more of the households have incomes at or below 80% of HUD-defined Area Median Income (AMI). Figure 5 on page 36 shows the block groups in which the majority of households were low- or moderate-income in 2000. Consistent with other indicators of poverty, east and southeast Wenatchee contained the majority of low- and moderate-income areas, with the addition of two block groups in central Wenatchee.

Block groups 9608.4 and 9610.1 contained the highest percent of households below 80% of the area median income, 79% and 74% respectively. Block groups 9610.2 and 9610.7 contained the next highest percent of low- and moderate-income households (68% and 64% respectively). Block group 9611.3 contained 62% low- and moderate-income households.

Figure 4
Percent of Population in Poverty by Census Block Group



Legend

Percent Living in Poverty

25% or more

15% - 24%

10% - 14%

9% or less

Parks

Schools

City Limits

0 2,000 4,000
Feet



Other Indicators of Need

Students Eligible for Free and Reduced-Cost Lunches

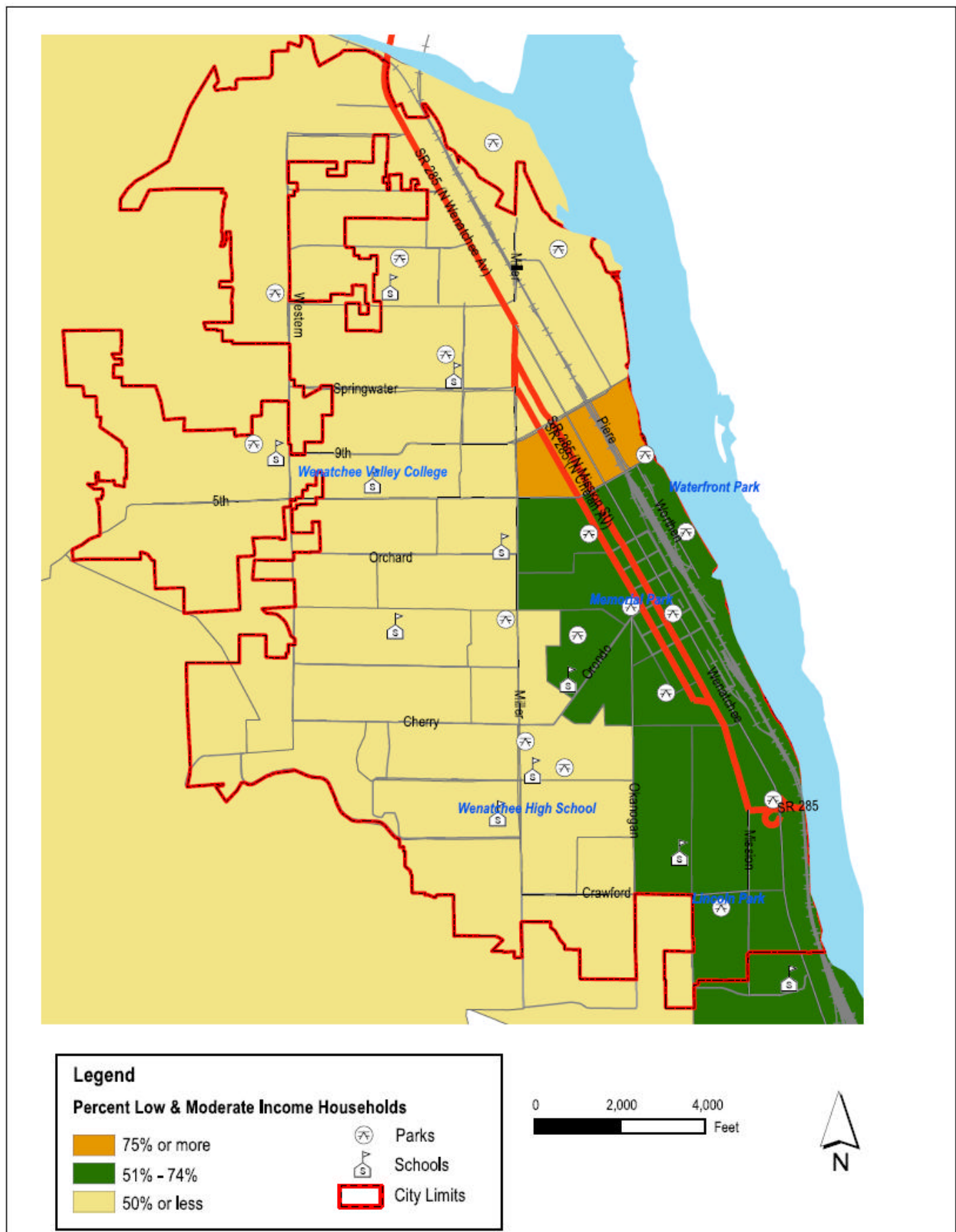
The number of students eligible for free and reduced-cost lunches is a good indicator of need in neighborhoods. Elementary schools with the highest percent of students qualifying for free and reduced-cost lunches in the 2003/2004 school year were: Columbia (84%), Lewis and Clark (73%), Lincoln (67%), Mission View (67%), John Newberry (40%), and Washington (35%).

Students are eligible for free and reduced-cost lunches at the middle and high school levels also, but the percent eligible tends to be lower than at the elementary school level. This may be because catchment areas are broader for these more regional schools. It may also be because students in higher grades are more reluctant to identify a need. Furthermore, some students in need at earlier grades may have dropped out of school before completing high school. The eligibility rates in middle schools were: Orchard (58%), Pioneer (49%), and Foothills (30%). By high school, eligibility rates had dropped further: Westside (39%) and Wenatchee (29%). While total enrollment was only 118 in 2003, 93% of students at Wenatchee's Special Education School were eligible for free or reduced lunches.

ESL Students

The presence of students enrolled in English as a second language (ESL) classes can indicate foreign-born and linguistically-isolated populations with additional need. The school district defines these students as "transitional bilingual" students. Schools with the highest percentages of transitional bilingual students in 2003 were: Lincoln (27%), Columbia (19%), Lewis and Clark (19%), John Newberry (18%), and Mission View (17%).

Figure 5
Percent of Low- and Moderate-Income Households by Census Block Group



HOUSING NEEDS AND MARKET ANALYSIS

HOUSING TRENDS

Number of Units

The number of housing units in Wenatchee grew by 22% between 1990 and 2000, matching the overall population increase during the same period. Several changes in housing types occurred over those 10 years. The development of single-family housing outpaced multi-family housing. The fastest rising housing type in Wenatchee was single-family attached units, which increased by 42% between census years. However, as a percentage of total housing in the city, such units represented only 4% of the total housing stock. As a percentage of total units, multi-family units have decreased slightly from 31% to 29%, while single-family units have increased from 63% to 65% of the total units. In 2000, only 61% of Wenatchee's housing units were detached, single-family homes, compared with the county's rate of 67%.

In 2000, a much higher percentage of Wenatchee's housing stock (21%) consisted of smaller multi-family buildings of 2-19 units than in either the county (14%) or the state (16%). While the number of buildings with five to 19 units decreased by 7% between 1990 and 2000, the number of buildings with 20 or more units increased by 29% during the same period.

Construction of single-family units in Wenatchee significantly outpaced multi-family units in the latter half of the 1990s by nearly six to one: 357 single-family permits were issued, compared to 61 multi-family permits.²⁸ Continuing this trend, HUD reported applications for 138 building permits in Wenatchee in 2003, 62% of which were for single-family structures.²⁹ As of November 2004, 156 building permits had been issued, of which 106 (68%) were for single-family structures. In 2003, permits were issued for 40 multi-family structures with five or more

²⁸ *Wenatchee: A High Performance Community Strategy*, 2000.

²⁹ *State of the Cities Data Systems (SOCDS) Permit Database*, socds.huduser.org.

units. In 2004, no permits were issued in this category.³⁰ According to 2000-2004 data, the growth of housing units in Wenatchee (3.7%) has not kept up with growth throughout Chelan County (4.8%). When looking at the “manufactured, motor homes, trailer, and other” category, the county saw an increase of 5.3%, while Wenatchee saw a decline of 20 units in that category.³¹

Table 13
Wenatchee Housing Units, 1990 and 2000

Type of Unit	1990		2000		Percent Change 1990-2000
	Number	Percent	Number	Percent	
Single-family	5,915	63%	7,423	65%	21%
Detached	5,625	60%	6,996	61%	19%
Attached	290	3%	427	4%	42%
Multi-family	2,904	31%	3,350	29%	15%
2 to 4 units	1,237	13%	1,545	13%	25%
5 to 19 units	958	10%	892	8%	-7%
20+ units	709	8%	913	8%	29%
Mobile homes	528	6%	725	6%	37%
Other*	106	1%	0	0%	-100%
Total	9,453	100%	11,498	100%	22%
*These units include boats, RVs, vans, and other more temporary housing types. Source: U.S. Census. Note: Percentage totals may not add to 100 due to rounding.					

³⁰ City of Wenatchee, Department of Community Development, 2005.

³¹ Ibid.

Table 14
Housing Type by Location, 2000

Type of Unit	Wenatchee	County	State
Single-family	65%	69%	65%
Multi-family (2 to 19 units)	21%	14%	16%
Multi-family (20+ units)	8%	4%	9%
Mobile homes/other	6%	13%	9%
Source: U.S. Census. Totals may not add to 100 due to rounding.			

Table 15
Change in Housing, 2000-2004

Structure Type	Wenatchee			Chelan County		
	2000	2004	Percent Change	2000	2004	Percent Change
Total	11,486	11,910	3.7%	30,407	31,852	4.8%
Single Unit	7,416	7,735	4.3%	21,034	22,075	4.9%
Multi-Unit (2+)	3,346	3,471	3.7%	5,395	5,587	3.6%
Manufactured, Motor Homes, Trailer, Other	724	704	-2.8%	3,978	4,190	5.3%
Source: OFM Forecasting, State of Washington, October 2004.						

Planned Development

The undeveloped land base available within the Urban Growth Boundaries (UGB) is limited by several factors. The potential land base for development is limited by the Columbia River to the east and by steep topography to the west. The City of Wenatchee has, therefore, been annexing properties within the UGB in recent years, as shown below.

Table 16
Annexed Since 2000

Area in Housing		Total Population
Acres	Units	
326.3	158	493
Source: OFM Forecasting, State of Washington, October 2004.		

Most new housing developments would appear to favor undeveloped land in the western Urban Growth Area. In keeping with recent trends, development by private builders, developers, or private owners is expected to increase single-family housing units. Due to the high cost of land, these developments will primarily be at the high-end cost range.

Opportunities for the development of new affordable housing are limited. Although some infill opportunities exist, there is limited undeveloped land available for the production of housing affordable to lower-income households. The city's Comprehensive Plan does, however, indicate bonuses for "public benefit" in plan development, which might include bonuses for open space or affordable housing. A proposed waterfront development project presents another opportunity for affordable housing. This project would allocate \$30 million in public and private investment for a new mixed-use development for office, retail, condominiums, restaurants, and recreational opportunities. The development would contain mixed-income housing components and incentives for affordable housing inclusion. However, the development would simultaneously eliminate a substantial number of existing affordable housing units because of its impact on a mobile home park currently occupying the site.

Mobile Homes

Mobile homes can be one of the most affordable ownership options. It is not easy to obtain funding for renovation or purchase of mobile homes, which means they are increasingly at risk and sometimes in a deteriorated and unsafe condition. Mobile homes represented only 6% of the total housing stock in Wenatchee and remained at that level over the 1990-2000 period. Mobile homes were below the state average and about one-half of the county levels. The number of RVs and other temporary types dwindled to zero in those 10 years.

Several mobile home parks in the Wenatchee area face closure due to the owners' desire to sell or utilize the property for another use. Relocating aging units to other mobile home parks or lots can be very difficult. Many of the residents in these older mobile home parks are low-income, elderly, and/or farm workers. Loss of these housing units that offer affordable housing options will be one of the city's greatest challenges over the next decade.

Housing Density

In most areas of Washington State, a density of 6-8 houses per acre is necessary for development to pay for the infrastructure to support it.³² In Wenatchee, current density in residential neighborhoods is 3-6 houses per acre.³³ A 1998 study of existing subdivisions conducted by Wenatchee's Department of Community Development found that the average density was nearly 18,000 square feet. Although a number of areas of the city have been zoned for higher density, the building pattern continues to be single-family units on large lots.³⁴

Building A Vision: Economy, Community, Environment, a regional conference that took place in Wenatchee in October 2004, discussed increased housing density alternatives as a solution to create more affordable housing. William Kreager, architect with the Seattle-based firm, Mithun, demonstrated that high-density housing could be attractive. His designs showcased plans for up to 28 houses per acre. However, each layout preserved beautiful, elegant interior spaces and appealing exteriors.³⁵

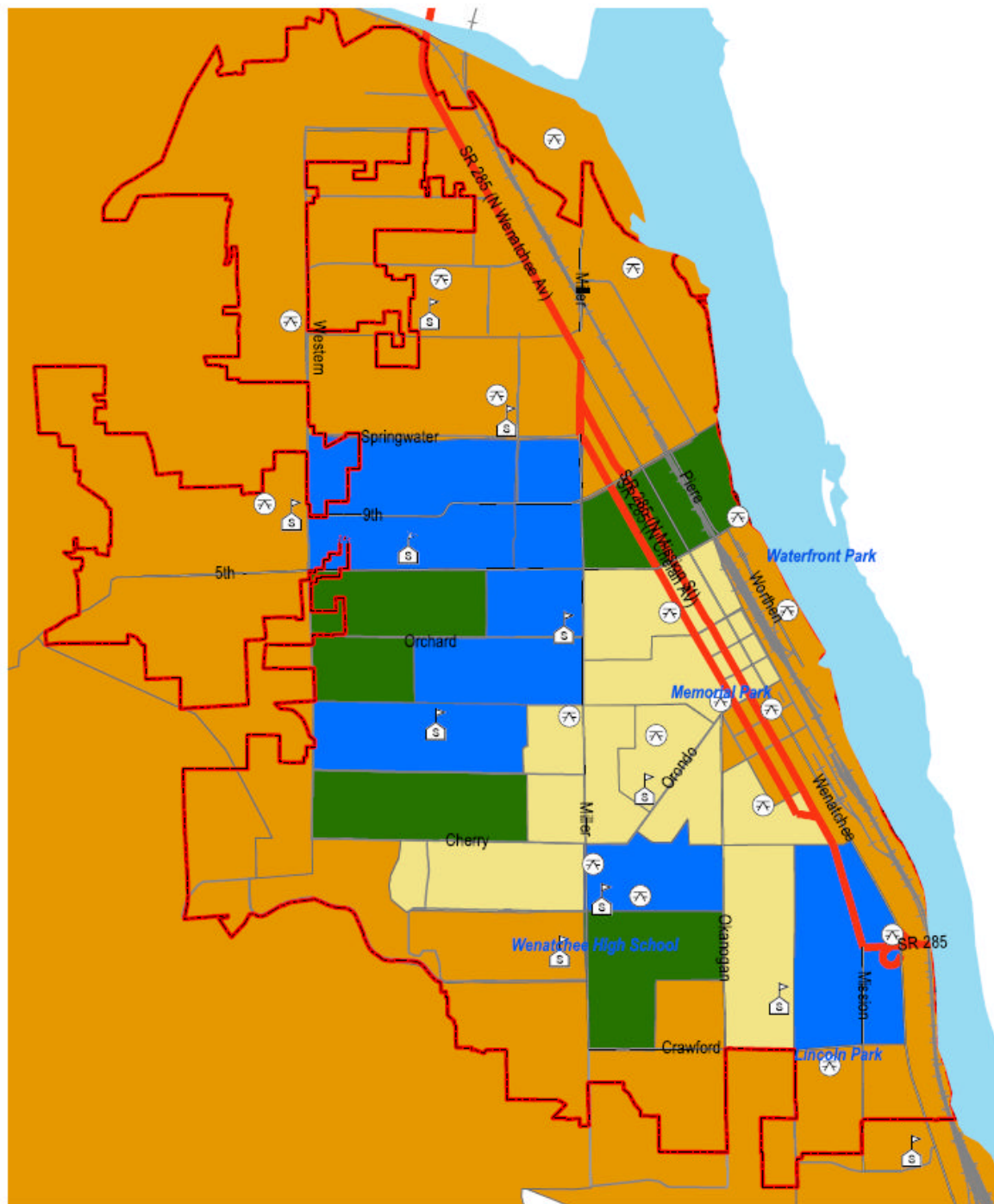
³² *Building a Vision* conference, October 2004.

³³ U.S. Census; City of Wenatchee, Department of Community Development.

³⁴ City of Wenatchee, Department of Community Development.

³⁵ *Building a Vision* conference, October 2004.

Figure 6
Housing Units per Acre by Census Block Group



Legend

Housing Units per Acre

0.05 - 2.00 units per acre

2.01 - 3.00 units per acre

3.01 - 4.00 units per acre

4.01 - 6.55 units per acre

Parks

Schools

City Limits

0 2,000 4,000
Feet



HOUSING CONDITION

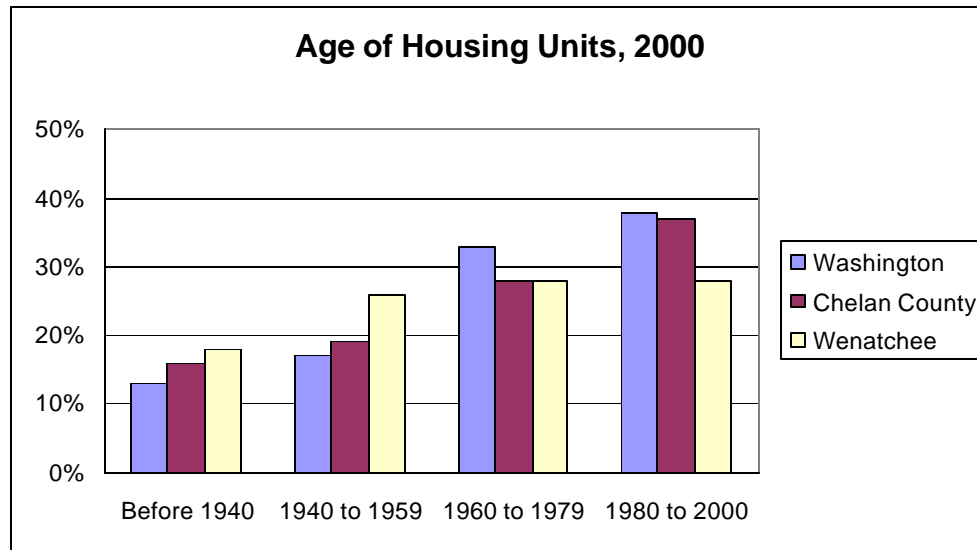
Age of Units

While not unusual among Washington cities the size of Wenatchee, housing in Wenatchee is significantly older than in the county or the state as a whole. A total of 44% of Wenatchee's housing was built prior to 1960, with 18% constructed before 1940. Much of the premier older housing stock was built prior to 1940 for Wenatchee's elite wealthy pioneer families. These units are generally located off of Miller Street and Western Avenue. While most of Chelan County's housing is relatively new – 37% was built in the last 20 years – only 28% of Wenatchee's housing was built in the last two decades.

Table 17
Age of Housing Units, 2000

Year Built	Wenatchee		County	State
	Number	Percent	Percent	Percent
Before 1940	2,089	18%	16%	13%
1940 to 1959	3,030	26%	19%	17%
1960 to 1979	3,169	28%	28%	33%
1980 to 2000*	3,210	28%	37%	38%
Total	11,498			
*March 2000. Source: U.S. Census.				

Chart 8



The age of housing units is sometimes an indication of condition, depending on how well the units are maintained. On the other hand, well-maintained housing in older neighborhoods can be highly valued. Often centrally located, it can become prime property for redevelopment. Preservation of older units is one of the best strategies for preserving affordable housing. Wenatchee has a number of neighborhoods in which strategies to rehabilitate older housing can be implemented effectively.

Physical Condition of Housing

A “drive-by” window view survey of the housing conditions in several south end neighborhoods of the city was completed in November 2002. The City’s Compliance Inspector selected the areas based on their potential need for housing improvements.

The person who completed the condition survey (surveyor) visually inspected each structure from the street, using a visual assessment of the overall exterior condition. The primary conditions included, but were not limited to, damaged roofs, broken windows, damaged or deteriorating structural integrity, outdated and insufficient electrical services, and deteriorating weather protections. From this survey, the Compliance Inspector estimated that 50% of the housing stock in the area was in need of rehabilitation.

Substandard housing rules are put in place to ensure that residential dwellings and buildings are up to the minimum standards as defined in the Wenatchee Housing Code (see Appendix B for

Section XVIII – Substandard Buildings of Wenatchee Code). The operating definition of “substandard” housing used by the City is, in summary, any building or portion thereof in which a condition exists that “...endangers the life, limb, health, property, safety or welfare of the public or the occupants thereof....” The definition of “substandard” includes inadequate sanitation (e.g., lack of or improper lavatory, kitchen sink, electrical lighting, or ventilating equipment in a dwelling unit), structural hazards, nuisances, hazardous electrical lighting, plumbing, or mechanical equipment that is not installed in accordance with generally accepted construction practices, faulty weather protection, fire hazards, faulty construction materials, hazardous or unsanitary premises, inadequate exits, inadequate fire-protection or fire-fighting equipment, or improper occupancy.

The City defines housing that is “substandard but suitable for rehabilitation” as a unit that requires only modest repairs to maintain integrity and ensure long-term use. There are a significant number of homes that require repair and rehabilitation to maintain their long-term viability as decent, safe, and sanitary housing.

Lead-based Paint and Lead Hazards

The Residential Lead-Based Paint Hazard Reduction Act of 1992 seeks to identify and mitigate sources of lead in the home. A high level of lead in the blood is particularly toxic to children ages six and younger. Childhood lead poisoning is the number one environmental health hazard facing American children. Lead can damage the central nervous system, cause mental retardation, convulsions, and sometimes death. Even low levels of lead can result in lowered intelligence, reading and learning disabilities, decreased attention span, hyperactivity, and aggressive behavior.

Children who live in homes with lead-based paint can become exposed by inadvertently swallowing lead contained in household dust. This is particularly a problem when houses are remodeled using practices such as scraping or sanding of old paint. Lead-based paint is not the only culprit. Lead has also been identified in many other sources, including some vinyl blinds, pottery, lead in water pipes, lead in dust brought into the home from work sites, some hobbies (e.g., lead solder in stained glass work), and some herbal remedies.

The age of the housing unit is a leading indicator of the presence of lead hazard, along with building maintenance. Lead was banned from residential paint in 1978. The 1999 national survey

found that 67% of housing built before 1940 had significant LBP hazards. This declined to 51% of houses built between 1940 and 1959, 10% of houses built between 1960 and 1977, and just 1% after that.³⁶ Based on those estimates and using nationally-accepted methodology, nearly 3,300 homes could pose potential lead-based paint hazards in Wenatchee. However, the Clickner study also noted that there were regional differences in the probability of a hazard; the risk was more prevalent on the East Coast (43%) than on the West Coast (19%).

Table 18
Potential Lead-Based Paint (LBP) Hazards, Wenatchee, 2000

Date Built	Total Units	Potential Hazards	
		Percent	Number
Before 1940	2,089	67%	1,400
1940 to 1959	3,030	51%	1,545
1960 to 1979	3,169	10%	317
1980 to 2000	3,210	1%	32
Total	11,498		3,294
Source: U.S. Census; Clickner, et al.			

Using the above percentages of potential hazards by date of construction and then applying the Comprehensive Housing Affordability Study (CHAS) tables (see Tables 34 and 35: Percentages of low- and moderate-income households by tenure), it is estimated that 922 low- and moderate-income renter households and 560 low- and moderate-income owner households in Wenatchee live in housing with potential hazards.

In the nine-year period between 1993 and 2002, 39,302 children under 11 years of age were tested for lead in Washington, and 817 (approximately 2.1%) had confirmed elevated blood-lead

³⁶ Clickner, R., et al. (2001). *National Survey of Lead and Allergens in Housing, Final Report, Volume 1: Analysis of Lead Hazards*. Report to Office of Lead Hazard Control, U.S. Department of Housing and Urban Development.

levels. Only 1.2% of children tested in 2002 had elevated blood levels. Because of the low prevalence of elevated lead levels in children's blood in the state, the Washington State Department of Health (DOH) "does not recommend targeted or universal testing of asymptomatic children for lead poisoning." However, DOH has found a higher risk in nine Washington counties, including Chelan County. It is currently conducting studies to determine guidelines for targeted screening in these counties. In the meantime, it has identified several risk factors for lead poisoning in children: age of home, renovation or remodeling of home, parental occupations involving lead exposure, children observed eating paint chips or showing symptoms, socioeconomic and educational status, and former residence outside the state.³⁷

No agency or organization in the Wenatchee area provides funding for testing for children who are not eligible for Medicaid or who do not have private insurance. Most of the testing is performed by private physicians and clinics, at the request of parents. The Columbia Valley Medical Clinic, for example, conducts lead testing on a sliding payment scale. For those interested in information about the dangers of lead, the Washington State Department of Health's Childhood Lead Poisoning Prevention Program maintains a website with instructions for lead testing, an indication of hazards, lists of resources, and links to other sites.

HOUSING TENURE

From 1990 to 2000, owner-occupied housing increased from 55% to 58% of the total occupied housing in Wenatchee. However, while city and state ownership rates rose at the same pace, ownership in Wenatchee remained significantly below the state and countywide rates of 65%. Conversely, renters represented 42% of the city's occupants.

³⁷ *Washington State Lead Reporting Update*, Washington State Department of Health, March 2003.

Table 19
Housing Tenure, 2000

Tenure	Location			
	Wenatchee		County	State
	Number	Percent	Percent	Percent
Renters	4,544	42%	35%	35%
Owners	6,197	58%	65%	65%
Total Occupied Units	10,741	100%	100%	100%
Source: U.S. Census.				

Figure 7 on page 51 shows the percent of renter-occupied units by block group in Wenatchee. While 42% of the total units were renter-occupied in 2000, this varied by neighborhood. Not surprisingly, rental housing is concentrated in and near downtown Wenatchee. Eighty-two percent of the occupied housing units in block group 9610.1 were renter-occupied, as were about two-thirds of the housing units in block groups 9610.4 and 9610.7.

Tenure varies in Wenatchee by type of unit, type of household, household income, and several other factors. For example, multi-family housing is usually built for the rental market, so substantially more multi-family than single-family units are renter-occupied. The vast majority of single-family units (detached and attached) were owner-occupied; 89% of occupied single-family units in Wenatchee in 2000 were owner-occupied.

More family households live in houses they own or are buying. More single individuals rent, except for the elderly, as shown in the table below. Household income is a major factor in the ability to own a home. The median household income for owner-occupied units was \$49,132, whereas the median household income for renter-occupied units was less than half as much at \$22,695.

Table 20
Tenure by Household Type, Wenatchee, 2000

Type Household	Living in units they:	
	Owned	Rented
All households	58%	42%
Family households	67%	33%
Non-family households	41%	59%
Single individuals	43%	57%
Elderly (65+) singles	54%	46%
Average household size	2.7	2.4
Source: U.S. Census.		

Tenure by Race and Ethnicity of Householder

As seen in Table 19, 58% of all Wenatchee households owned the house in which they were living at the time of the 2000 Census. However, as Table 21 suggests, tenure varied in 2000 by the race and ethnicity of the householder.

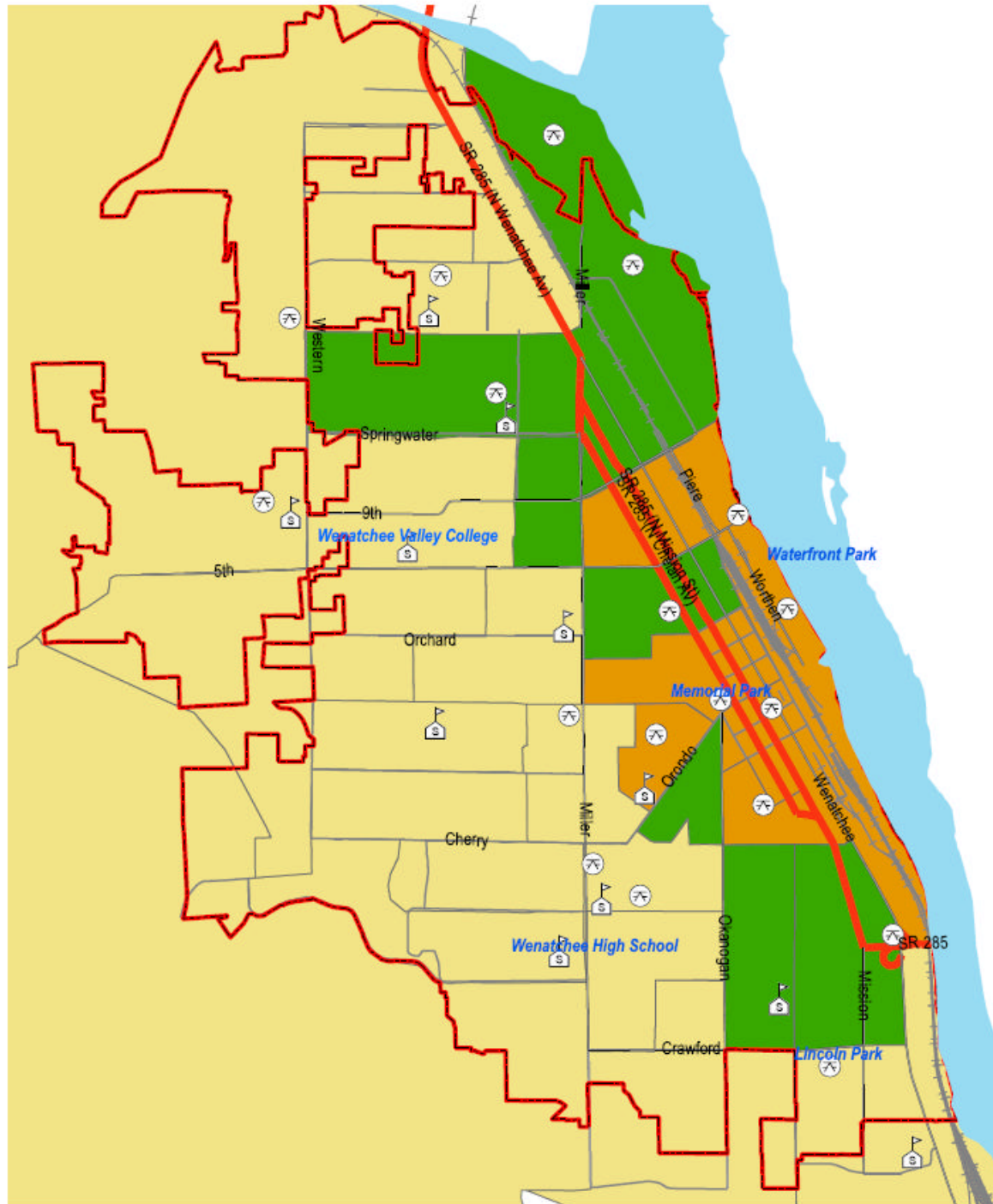
Owner-occupancy was higher for white (alone) householders (61% lived in housing they owned or were buying) than non-white (alone) householders (35% lived in housing they owned or were buying). Owner-occupancy also varied by ethnicity, with just 34% of Hispanic householders owning the home in which they were living.

Table 21
Householder Tenure by Race/Ethnicity, Wenatchee, 2000

Race	Living in units they:	
	Owned	Rented
White alone	60%	40%
Black/African-American alone	65%	35%
American Indian or Alaska Native alone	19%	81%
Asian alone*	55%	45%
Other race alone	33%	67%
Two or more races	44%	56%
Ethnicity		
Hispanic/Latino (of any race)	34%	66%
Note: The Census reported no Hawaiian/Pacific Islander owners or renters in 2000. Source: U.S. Census.		

This could, in part, be due to a notable disparity in income, which contributes substantially to the ability to purchase a home. The median household income of households headed by a white (alone) householder in 1999 was \$36,430, compared to \$16,806 for a household headed by an American Indian/Alaska Native (alone) householder and \$26,127 for a household headed by an Hispanic/Latino householder (of any race). Households headed by an Asian householder had a median income of \$41,513; Black/African-American (alone) median household income was \$76,708 [Note: This is not particularly significant, however, because the 2000 Census reported only 73 Asian American (alone) householders and 20 African-American (alone) householders living in the city of Wenatchee]. The overall median household income for Wenatchee was \$34,897.

Figure 7
Percent Renter-Occupied Housing Units by Census Block Group



Legend

Percent Renter Occupied

60% or more

45% - 59%

44% or less

Parks

Schools

City Limits

0 2,000 4,000 Feet



MARKET ANALYSIS

Housing Costs

As of the 2000 Census, the median value of all owner-occupied housing in Wenatchee was \$133,700, substantially lower than the median value in Chelan County and Washington State. Monthly owner costs, with and without a mortgage, are shown below, along with median household gross rent as of the Census.

Table 22
Housing Costs, 2000

Type of Cost	Wenatchee	County	State
Median value owner-occupied	\$133,700	\$148,400	\$168,300
Median monthly owner costs			
With mortgage	\$1,094	\$1,119	\$1,268
Without mortgage	\$289	\$291	\$338
Median gross rent	\$545	\$535	\$663
Source: U.S. Census.			

Recent low mortgage interest rates have made it possible for people who were paying high rents to buy, sometimes with the assistance of first-time homebuyer programs. For example, the Housing Authority of Chelan County and the City of Wenatchee has sponsored several first-time homebuyer programs. The agency currently offers two programs in the cities of Wenatchee and Chelan. USDA also offers several first-time homebuyer programs at their regional service center in Wenatchee. This federal agency can reduce the interest rates and add the down payment into the loan.

Rental Costs and Vacancies

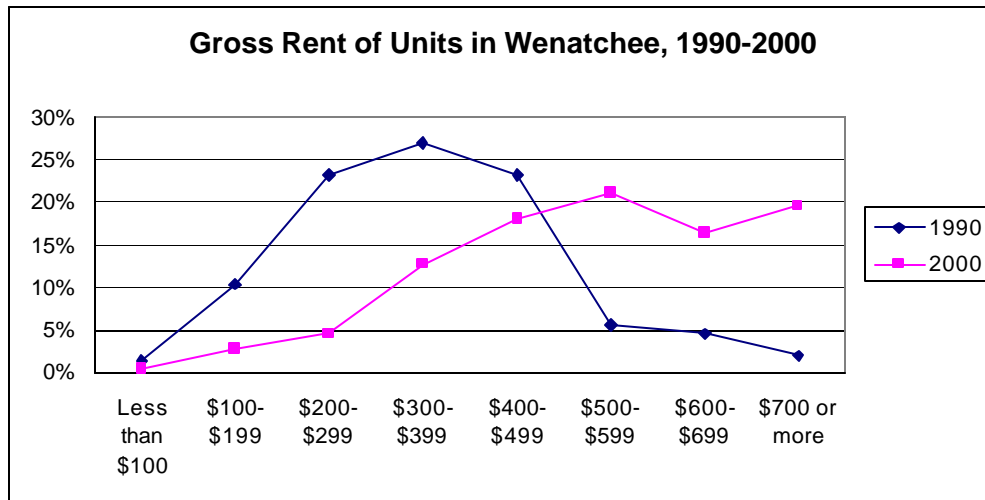
Between 1990 and 2000, the number of rental units in Wenatchee increased by 13.8%. Over the same period, rental costs rose significantly. In 1990, 62% of renters in Wenatchee paid less than \$400 per month for rent. By 2000, only 21% of renters paid less than \$400 per month. Only

4% of renters paid more than \$650 per month in 1990. By 2000, the number of renters paying more than \$650 per month increased to 25%.

Table 23
Gross Rent of Units in Wenatchee, 1990-2000

	1990	Percent of Total	2000	Percent of Total
Less than \$100	55	1.4%	18	0.4%
\$100 to \$149	191	4.8%	75	1.6%
\$150 to \$199	223	5.6%	59	1.3%
\$200 to \$249	440	11.0%	67	1.5%
\$250 to \$299	500	12.4%	141	3.1%
\$300 to \$349	488	12.1%	231	5.1%
\$350 to \$399	596	14.8%	350	7.7%
\$400 to \$449	548	13.6%	473	10.3%
\$450 to \$499	394	9.8%	361	7.9%
\$500 to \$549	120	3.0%	459	10.0%
\$550 to \$599	105	2.6%	508	11.1%
\$600 to \$649	61	1.5%	406	8.9%
\$650 to \$699	121	3.0%	337	7.4%
\$700 to \$749	30	0.7%	212	4.6%
\$750 to \$999	24	0.6%	575	12.6%
\$1,000 or more	29	0.7%	108	2.4%
No cash rent	92	2.3%	193	4.2%
Total	4,017	100.0%	4,573	100.0%
Source: U.S. Census.				

Chart 9



In 2004, apartment rental costs in Chelan and Douglas Counties averaged \$564. According to the Washington Center for Real Estate Research, average rents have increased by \$15 per year since 2000.³⁸ In Wenatchee, the rental market has experienced an annual average rental rate increase of 2.3% since 2000. This trend is expected to continue.³⁹

Table 24

Apartment Rental Costs, Fall 2004, Chelan-Douglas Counties

	Average Size	Average Rent	Vacancy Rate
One-Bedroom Units	641 SF	\$475	2.7%
Two-Bedroom Units	853 SF	\$580	6.3%
Overall Apartment Market	837 SF	\$564	4.3%
Source: Washington Center for Real Estate Research.			

³⁸ Washington Center for Real Estate Research, 2005. Due to the seasonal nature of the agricultural sector in Chelan and Douglas Counties, apartment market data are collected in March and September in order to account for seasonal fluctuation.

³⁹ *Herring and Associates*, January 2005.

Vacancy rates in the Wenatchee market region have been low in recent years for all types of rentals, as shown in the table below. In Chelan and Douglas Counties, the vacancy rate fell from 5.4% in 2003 to 4.3% in 2004.

Table 25
Wenatchee Rental Vacancy Rates, 1999-2004

	1999	2000	2001	2002	2003	November 2004
Condo	17%	6%	4%	8%	6%	2%
Single-Family	8%	6%	5%	7%	6%	3%
Multi-Family	7%	8%	8%	6%	8%	4%
Plex Units (2-4 Units)	4%	6%	5%	4%	4%	4%
Overall	7%	7%	7%	6%	7%	4%
Source: Pacific Appraisal Associates, January 2005.						

Housing Cost Expectations

Housing costs are expected to continue to increase in the future, given the anticipated growth in the western Urban Growth Areas and the high cost of development and construction, creating challenges for increasing affordable housing options.⁴⁰

Since 2002, Wenatchee's housing market has been particularly strong. The number of home sales has increased each year since 2002, and there have been fewer homes priced at \$135,000 or less each year. The average sales price of homes sold has been increasing annually as well. The largest increase in the average home sales price occurred between 2003 and 2004, with a 10.6% increase.

⁴⁰ City of Wenatchee, Comprehensive Plan Vision, November 2002.

Table 26
Wenatchee Home Sales, 1999-2004

	1999	2000	2001	2002	2003	2004
Home Sales Per Year	609	596	565	669	812	928
Average Sale Price	\$145,500	\$150,035	\$153,191	\$154,486	\$156,745	\$173,508
Homes for Sale for \$135,000 or less		10	11	7	7	5
Source: Pacific Appraisal Associates, February 2005.						

Table 27
Increase in Average Price of Homes Sold in Wenatchee, 1999 - 2004

	From:	To:	Percent Change
1999 to 2000	\$145,500	\$150,035	3.1%
2000 to 2001	\$150,035	\$153,191	2.1%
2001 to 2002	\$153,191	\$154,486	0.8%
2002 to 2003	\$154,486	\$156,745	1.5%
2003 to 2004	\$156,745	\$173,508	10.6%
Source: Pacific Appraisal Associates			

HOUSING AFFORDABILITY

Housing is generally considered to be affordable when it equals no more than 30% of household income, including expenditures for utilities. Escalating housing and utilities costs have forced many households to pay considerably more for housing than is affordable or even feasible. While housing costs are increasing, income is not increasing at the same rate.

For example, almost half (44%) of renter households in Wenatchee paid more than 30% of income for rent in both 1990 and 2000. In 2000, 19%, or 885 renter households, paid more than 50% of income for rent.⁴¹

Table 28
Gross Rent as a Percentage of Household Income in Wenatchee

	1990	Percent of Total	2000	Percent of Total
Less than 20%	1,125	28.0%	1,298	28.4%
20 to 24%	593	14.8%	530	11.6%
25 to 29%	390	9.7%	549	12.0%
30 to 34%	286	7.1%	278	6.1%
35% or more	1,489	37.1%	1,674	36.6%
Not computed	134	3.3%	244	5.3%
Total	4,017	100.0%	4,573	100.0%
Source: U.S. Census				
Note: In 2000, of the 36.6% who paid more than 35% of household income for rent, 885 (19.3% paid more than 50%.)				

The following table shows the relationship between modest housing costs (Fair Market Rents set by HUD based on actual area housing costs) and the income required to afford that housing in Chelan County. These estimates are prepared annually by the National Low Income Housing Coalition (NLIHC).

⁴¹ U.S. Census.

Table 29
Renter Housing Costs and Income, Chelan County, 2004

Housing/Income Factor	Number of Bedrooms				
	Zero	One	Two	Three	Four
Fair Market Rent (FMR)*	\$449	\$474	\$608	\$856	\$961
Income needed to afford	\$17,960	\$18,960	\$24,320	\$34,240	\$38,440
Hourly wage required to afford (working 40 hours/week)	\$8.63	\$9.12	\$11.69	\$16.46	\$18.48
Hours per week at minimum wage (\$7.16 in Washington)	48	51	65	92	103
*HUD 2004 Fair Market Rents. Source: National Low Income Housing Coalition.(2004), <i>Out of Reach 2004: America's Housing Wage Climbs</i> .					

The estimated annual income of renter households in Chelan County in 2004 was \$28,145. If a household did earn that amount, it would have been able to afford a two-bedroom unit (at 30% of their income) at a cost of \$704, \$96 more than the Fair Market Rent for that two-bedroom unit. However, 27% of all Chelan County renter households would not have been able to afford this unit. A person earning minimum wage in Washington would have to work at least 65 hours per week for the unit to be affordable. This is six hours more per week than they would have had to work the year before. For a three-bedroom home, the number of hours a person would need to work at minimum wage increased by 30% to 92 hours per week.⁴²

The Area Median Income in the Chelan County area in 2004 was \$54,100. This is an increase of 5.5% from 2003, compared with a statewide increase of only 2.2%, suggesting that Wenatchee's median income is slowly catching up with the rest of the state. However, it remained at \$54,100 in 2005, still \$7,400 less than the statewide average median income.

⁴² National Low Income Housing Coalition, *Out of Reach*, 2003 and 2004.

As shown in Table 30, it is clear that housing becomes less affordable as income falls. The table shows designated low-income levels and the corresponding income for a family of four in relation to the 2005 AMI.

Table 30
Low-Income Ranges and Affordable Housing Costs,
Chelan County, 2005

Definition	Percent of AMI	Income Limit	Maximum Monthly Housing Costs
Extremely low income	to 30% of AMI	\$16,250	\$407
Very low income	to 50% of AMI	\$27,050	\$677
Other low income	to 80% of AMI	\$43,300	\$1,083
Notes: HUD-estimated AMI (Area Median Income) for Chelan County area was \$54,100 in 2005. Source: HUDUSER, HUD FY 2005 Income Limits, February 2005.			

Extremely low-income households (i.e., those with incomes at or below 30% of Area Median Income) are hard-pressed to find housing they can afford, are more likely to live in unsuitable housing or in overcrowded conditions, and are at most risk of homelessness. Meeting the cost of housing also leaves little left over to cover the costs of child care, medical insurance or basic health care, adequate food, and other necessities.

Table 31 demonstrates how difficult it is for the lowest-income households (i.e., those living in poverty) to budget for daily expenses. The source of these data is an analysis of national costs and expenditures prepared by the Catholic Campaign for Human Development.⁴³ It can be used for illustrative purposes here, but care should be taken in applying this information directly to conditions in Wenatchee where many of these costs may be less. The budget starts with an annual income of \$18,810 per year, a national figure for a household of four living in poverty in

⁴³ United States Conference of Catholic Bishops, Catholic Campaign for Human Development, www.usccb.org/cchd, 2005.

2004. As the table shows, families living in poverty have insufficient income to meet their daily living expenses.

Table 31
Budgeting for Poverty in the United States

Item	Source	Amount
Annual income (for a family of four living in poverty)	U.S. Census, <i>Current Population Survey, Annual Social and Economic Supplement</i> , 2004	\$18,810
Rent	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2004	<u>-5,274</u> 13,536
Utilities	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2004	<u>-2,350</u> 11,186
Transportation	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2004	<u>-4,852</u> \$6,334
Food	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2004 (assuming food stamps for the majority)	<u>-4,815</u> \$1,519
Health Care	DOL, Bureau of Labor Statistics, <i>Consumer Expenditures Survey</i> , February 2004 (assumes health insurance through employer)	<u>-793</u> \$726
Child Care	U.S. Department of Agriculture, Center for Nutrition Policy and Promotion, <i>Expenditures on Children by Families</i> , April 2004 (assumes subsidy of $\frac{3}{4}$ of real cost)	<u>-2,030</u> \$-1,304
Source: Catholic Campaign for Human Development, <i>Poverty USA</i> , 2004.		

The expenditures noted above assume a substantial subsidy in the form of food stamps and child care, as well as employer-paid health insurance. The list leaves out toiletries, school supplies, shoes, clothes, holiday gifts, education life insurance, furnishings, recreation, cleaning supplies, entertainment, birthdays, and so on.

Affordability Mismatch

Comparing the cost of housing and the ability of households to meet the cost is one measure of mismatch in supply and demand. Another is the actual allocation of those units. Units are not

generally allocated on the basis of need; even if units are rented or sold at a price affordable to low-income households, households with low incomes are not necessarily occupying the units.

Using the 2000 Census, HUD provided an analysis of the availability of units priced within range of low-income households and compared that with the income of the occupants. Only about one-third of the rental units within the appropriate affordability range in Wenatchee were actually occupied by households with incomes in that range in 2000. For example, there were 474 rental units with rents affordable to households with incomes at or below 30% of Area Median Income. Of those units, 32% were occupied by households with incomes in that range. The remainder was occupied by households with higher incomes.

Table 32
Affordability Mismatch, Wenatchee, 2000

Housing Units by Affordability	Rentals	Owned*
Rent/price affordable at <30% AMI		
Units in price range	474	N/A
Occupants at <30% AMI	32%	N/A
Vacant units for rent/sale	58	N/A
Rent/price affordable at 31%-50% AMI		
Units in price range	1,425	613
Occupants at <50% AMI	59%	33%
Vacant units for rent/sale	139	75
Rent/price affordable at 51%-80% AMI		
Units in price range	2,285	1,133
Occupants at <80% AMI	59%	50%
Vacant units for rent/sale	110	63
*Includes units for sale. Source: HUD 2000 CHAS data.		

Even fewer owner-occupied units were actually available and occupied by households within the appropriate income ranges. There were no owner-occupied units valued within range of households with incomes at or below 30% of Area Median Income, demonstrating the barriers to homeownership faced by low-income households. There were just 613 units with values within range of households with earnings below 50% of AMI, and just 33% of those were actually occupied by households with incomes below 50% of AMI. The others were occupied by households with higher incomes.

Affordability and Persons with Disabilities

Among people at the lowest levels of household income are persons with disabilities who have only federal Supplemental Security Income (SSI) for support. In 2002, the most recent year that housing costs for the disabled were studied, the SSI program provided a total benefit of just \$552 per month in Washington. The *Priced Out in 2002* study found that “People with disabilities were priced out of every housing market area in the United States.”⁴⁴ In Chelan County, it would have taken 74% of this monthly SSI benefit to rent a one-bedroom apartment. As of December 2004, there were 101 individuals in Wenatchee who received General Assistance-Unemployable (GA-U) payments from Washington State. The average benefit amount for these clients was approximately \$290, just over half of the SSI benefit level.⁴⁵

A significant proportion of the Wenatchee population is living with disabilities. As shown in Table 33 below, the 2000 census found a total of 4,936 people aged 16 or older living with disabilities in the city.

⁴⁴ O'Hara A., et al. *Priced Out in 2002*. Technical Assistance Collaborative, Inc., Boston, MA, 2003.

⁴⁵ The current maximum GA-U benefit is \$339. (Washington State Department of Social and Health Services, Economic Services Administration, ACES Data Warehouse.)

Table 33
Persons with Disabilities, Wenatchee, 2000

Age	Male	Female	Total
16-20	148	180	328
21-64	1,570	1,254	2,824
65-74	269	319	588
75+	425	771	1,196
Total	2,412	2,524	4,936
Source: U.S. Census.			

BARRIERS TO AFFORDABLE HOUSING

The City of Wenatchee has seen a substantial increase in population in recent years as people relocate to the area, attracted by the recreational opportunities and the quality of life, often for the purpose of retirement. Since 1980, the population of Chelan County has increased by 50.7% (22,800 people), and the population of Douglas County has grown by 51.7% (11,450 people).⁴⁶ This influx of people, many with equity from the sales of homes in other areas of the country in hand, has contributed to the rise in price of both land and housing in Wenatchee.

Much of the new development anticipated in the coming years is expected to be in subdivisions in the western portion of the city, up to the identified urban growth boundaries, mostly devoted to higher-end single-family housing. This pressure provides less incentive for profit-driven development of affordable housing. The average size of homes in the Chelan-Douglas area also continues to increase, even as average household size decreases, which can affect housing affordability and density. In 2003, the average home size in the Chelan-Douglas area was 2,315 SF.⁴⁷

⁴⁶ *Building a Vision Conference, October 2004.*

⁴⁷ *Ibid.*

Among the barriers to affordable housing in Wenatchee are:

- High cost of land and high development costs
- Lack of land suitable and zoned for multi-family housing in Wenatchee
- Lack of land in Wenatchee within reach of nonprofit developers of affordable housing

A seven-member task force was recently appointed to identify options for expanding the city's urban growth boundary to accommodate new housing. There is currently some undeveloped land within the existing urban growth boundary, but local topography (e.g., steep slopes, flood zones) limits options for development. The city also lacks adequate infrastructure, including roads and sewage collection line capacity in some areas, to accommodate new growth.⁴⁸

The city's large non-English speaking population face potential barriers to housing due to language. There are, however, two nonprofit agencies in Wenatchee, Columbia Legal Services and the Northwest Justice Project, that provide bilingual legal assistance to low-income persons and persons with limited English skills. Columbia Legal Services employs lawyers and legal workers who provide legal assistance to low-income and special needs people and organizations. Its clients include undocumented farm workers, prisoners, foster children, and people in state mental institutions. The Northwest Justice Project also provides free civil legal services to low-income people. Congress, through the national Legal Services Corporation, principally funds the organization. Due to their federal funding, the Northwest Justice Project labors under strict federal rules and cannot, for example, file any sort of class action lawsuit. It also cannot represent prisoners or illegal immigrants. The two organizations will be housed in the same building in Wenatchee to complement the types of clients they may serve and legal services they may provide.

There are first-time homebuyer and credit counseling for both buyers and renters with poor rental histories that assist low- and moderate-income households to obtain suitable housing. However, these initiatives are insufficient to meet the need in the face of rising housing costs.

⁴⁸ "Where will city's new residents find a home? Officials look to Sunnyslope to absorb growth," *Wenatchee World*, February 16, 2005.

NEED FOR HOUSING ASSISTANCE

Renter Households with Problems

The following table shows renter households in Wenatchee by size and composition, by household income as a percent of median family income, and the percent of households in each category with housing problems. Housing problems are defined as a cost burden (i.e., paying over 30% of income for rent and utilities), overcrowding, and/or a lack of complete kitchen and plumbing facilities. RVs and other impermanent quarters were excluded. Also shown is the percent of households paying 50% or more of family income for housing costs

Half of all renter households in Wenatchee had housing problems in 2000, primarily because they were paying more than 30% of their income toward rent and utilities. The number of households with housing problems increased markedly as family income decreased. Over 80% of renter households at the lowest income levels paid more than 30% of their income for housing, and nearly two-thirds spent more than half of their income for rent and utilities.

Most severely burdened were large households (i.e., 5 or more related people). Every one of the 203 large households below 50% of MFI had housing problems. They were also most likely to be overcrowded. While a factor for all households, the problem of overcrowding naturally increased with household size. Overcrowding persisted with larger households, even when the cost burden was alleviated. For example, none of the large renter households with incomes at or greater than 81% of MFI had a 30% cost burden and yet 48% are shown with housing problems, which is mostly attributable to overcrowding.

Many elderly renters, even at higher income levels, were still burdened by the cost of housing. Overall, over 30% of elderly renter households paid 50% or more of their income for housing costs. Housing costs that outpace incomes, especially fixed-incomes for the elderly, will result in an increased burden, which could jeopardize access to needed services and requirements of daily living.

Table 34

Wenatchee Renter Households & Percent with Housing Problems, 2000

Household (HH) Income Level	Household Size and Composition				
	Elderly (1-2 people)	Small Related (2-4 people)	Large Related (5+ people)	All Others	Total Renters
HHs at 0% to 30% MFI	234	244	89	345	912
% with housing problems	85.0	91.8	100.0	82.6	87.4
% cost burden >30%	85.0	83.6	55.1	82.6	80.8
% cost burden >50%	65.8	61.5	27.0	72.5	63.4
HHs at 31% to 50% MFI	295	283	114	240	932
% with housing problems	71.2	91.2	100.0	77.1	82.3
% cost burden >30%	71.2	72.1	78.9	77.1	73.9
% cost burden >50%	32.2	20.8	8.8	14.6	21.4
HHs at 51% to 80% MFI	289	410	125	335	1,159
% with housing problems	44.6	43.9	84.0	26.9	43.5
% cost burden >30%	44.6	30.5	0.0	23.9	28.8
% cost burden >50%	13.8	3.7	0.0	0.0	4.7
HHs at 81% of more MFI	195	674	220	475	1,564
% with housing problems	20.5	10.2	47.7	4.2	15
% cost burden >30%	15.4	2.1	0.0	2.1	3.5
% cost burden >50%	10.3	0.6	0.0	0.0	1.5
Total Renter Households	1,013	1,611	548	1,395	4,567
% with housing problems	57.1	45.4	75.4	41.6	50.4
% cost burden >30%	56.1	34.0	25.4	40.1	39.7
% cost burden >50%	30.5	14.2	6.2	20.4	18.7
Notes: MFI is median family income. Housing problems include cost greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities. Cost includes rent and utilities. Totals may vary slightly from census data. Source: HUD 2000 CHAS tables.					

Disproportionate Housing Problems by Race/Ethnicity – Renter Households

Racial and ethnic minority households are often more cost-burdened or more likely to experience other housing problems, including overcrowding or substandard conditions. In Wenatchee, 90% of all Hispanic family household renters experienced housing problems, according to the HUD analysis (CHAS tables). A greater percentage of the total Hispanic renter households, at all income levels, had housing problems than renters as a whole:

- 98% of renting Hispanic households at or below 30% of median family income had problems, versus 87% of all households at that level.
- 93% of renting Hispanic households between 31% and 50% of median family income had problems, compared to 82% of all households at that level.
- 80% of renting Hispanic households between 51% and 80% of median family income had problems, compared to 44% of all households at that level.
- 67% of renting Hispanic households at or above 81% of median family income had problems, compared to 15% of all households at that level.

Owner Households with Problems

Fewer owner households had housing problems, as defined by HUD in the CHAS tables, than did renter households (28% of owners overall compared to 50% of renter households). On the other hand, every one of the 186 large family owner households with incomes below 80% of MFI had housing problems. As with renter households, the percent with problems increases as median family income decreases. The lowest income households were most burdened by cost, particularly family households.

Table 35

Wenatchee Owner Households & Percent with Housing Problems, 2000

Household (HH) Income Level	Household Size and Composition				
	Elderly (1-2 people)	Small Related (2-4 people)	Large Related (5+ people)	All Others	Total Owners
HHs at 0% to 30% MFI	125	38	33	94	290
% with housing problems	88.0	50.0	100.0	78.7	81.4
% cost burden >30%	88.0	50.0	69.7	78.7	77.9
% cost burden >50%	72.0	10.5	69.7	68.1	62.4
HHs at 31% to 50% MFI	320	89	59	55	523
% with housing problems	54.7	83.1	100.0	81.8	67.5
% cost burden >30%	51.6	78.7	83.1	81.8	62.9
% cost burden >50%	25.0	33.7	23.7	63.6	30.4
HHs at 51% to 80% MFI	555	264	94	114	1,027
% with housing problems	16.2	67.8	100.0	52.6	41.2
% cost burden >30%	16.2	62.1	57.4	52.6	35.8
% cost burden >50%	9.9	28.4	14.9	17.5	16
HHs at 81% of more MFI	1,129	2,293	474	439	4,335
% with housing problems	6.6	15.4	30.4	26.0	15.8
% cost burden >30%	6.6	14.1	11.6	25.1	13.0
% cost burden >50%	0.4	1.1	0.0	2.3	0.9
Total Owner Households	2,129	2,684	660	702	6,175
% with housing problems	21.1	23.3	50.0	41.7	27.5
% cost burden >30%	20.6	21.5	27.4	41.2	24.1
% cost burden >50%	10.8	5.0	7.7	18.4	8.8
<p>Notes: MFI is median family income. Housing problems include cost greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities. Cost includes mortgage payment, taxes, insurance, and utilities. Totals may vary slightly from census data.</p> <p>Source: HUD 2000 CHAS tables.</p>					

Disproportionate Housing Problems by Race/Ethnicity – Owner Households

As with renter households, a greater percentage of racial and ethnic minority households are likely to experience housing problems. In general, the numbers of low-income racial minority owner households was too small to adequately calculate differences.

However, the number of Hispanic owner households is larger and did permit an analysis of differences. As with renter households, a greater percentage of the total Hispanic owner households, at all income levels, had housing problems than owners as a whole in Wenatchee:

- 86% of Hispanic households at or below 30% of median family income had problems, compared to 81% of all households at that level.
- 94% of Hispanic households between 31% and 50% of median family income had problems, compared to 68% of all households at that level.
- 82% of Hispanic households between 51% and 80% of median family income had problems, compared to 41% of all households at that level.
- 52% of Hispanic households at or above 81% of median family income had problems, compared to 16% of all households at that level.

Overcrowding

Another indication of housing problems is the extent of overcrowding. The 2000 Census found 10% of all occupied units in Wenatchee were overcrowded, as defined by the presence of more than one person per room. The indicators of overcrowding in Wenatchee were 50% higher than those in the state as a whole.

Table 36
Overcrowded Conditions, 2000

Persons per Room	Wenatchee		County	State
	Number	Percent	Percent	Percent
1.00 or less	9,726	90%	91%	95%
1.01 – 1.50	484	5%	4%	3%
More than 1.50	571	5%	5%	2%
Source: U.S. Census.				

Wait Lists for Housing Assistance

The Housing Authority of Chelan County & City of Wenatchee supplied the current wait lists for subsidized housing and for Section 8 units as of December 2004. At that time, there were 123 people on the wait list for subsidized housing and 354 people on the wait list for Section 8 housing. Of the 477 people on the wait list, 230 have a Wenatchee address.

The Housing Authority closed the wait list on December 31, 2004 after only three months. The Housing Authority reports that the longest wait times are for larger family units. There is tremendous demand for these units due to the large numbers of Hispanic families in the region. Historically, Hispanics tend to have larger families with multiple children. It is not uncommon to also have extended family members, such as elderly, all living in the same house. There has also been a very low turnover rate in both Section 8 and subsidized housing unit projects, thereby increasing wait time.

Table 37
Housing Authority Wait List

Type of Housing	Number on Wait List
Multi-Family	92
Agricultural Housing	31
Section 8*	354
Total	477
Source: Housing Authority of Chelan County and City of Wenatchee, December 10, 2004.	
*The Section 8 waiting list closed on December 31, 2004.	

HOUSING RESOURCES

Table 38 summarizes the subsidized rental housing units and targeted housing in the Wenatchee area.

Housing Authority of Chelan County and City of Wenatchee

The Housing Authority of Chelan County and City of Wenatchee manages 105 units of agriculture worker housing located in the City of Wenatchee. The housing is located in three complexes with 35, 36, and 34 units in each facility. The projects are in generally good condition. All need ADA rehabilitation, however. One project needs new vinyl and carpet, one project needs new siding, and one project needs new roofs.

In addition, the Housing Authority owns and manages other projects located throughout Chelan and Douglas Counties. The agency owns and manages two other agricultural worker housing projects. Heritage Glen in East Wenatchee has 35 units of seasonal and year-round agricultural worker housing. Morning Sun Park in Manson has 19 units. The Housing Authority also manages a 25-unit project in Brewster for year-round agricultural workers on behalf of the Brewster Housing Authority.

Table 38
Assisted and Subsidized Housing: Families, Seniors, Disabled, and Crisis
City of Wenatchee, December 2004

Name	Target Population	Units	Comments
Housing Authority of Chelan County & City of Wenatchee			
Applewood Apartments	Agriculture Worker	35	
Washington Square Apt.	Agriculture Worker	36	
Wenatchee II Apt.	Agriculture Worker	34	
Other Assisted Housing			
Emerson Manor	Senior/disabled	35	1-Bedroom Units
Cascadian	Senior/disabled	84	
Garden Terrace & Terrace West	Senior/disabled	147	Mobility Disabled
Wenatchee House	Senior/disabled	50	10% Disabled
Maple Street Apartments	Family	62	2, 3, & 4-Bedroom - TC
Crescent Village – Community Action Council	Family	18	Transitional Housing
Deaconess Apartments	Senior/disabled	25	Tax Credit
		526	
Crisis or Emergency Housing			
Bruce Hotel – Women’s Resource Center	Family	37	Transitional
Women’s Resource Center - Adams Street	Family	2	Crisis Housing
Domestic & Sexual Violence – One Home	Crisis	19	5-Bedroom DV Crisis
Hospitality House	Emergency – Males	140	Average 90 per month
Christopher House	Devel. Disabled	32	DD & Mental Health
		230	
Project-Based Section 8			
Scattered Sites in City of Wenatchee	Various	214	HA administers
Total Units		970	
Note: Tables 38 and 39 cannot be compared, as they represent different areas and a mix of housing units and beds.			

The Housing owns and manages three low-income senior/disabled projects, although all are located outside the City of Wenatchee. ManSun Villa is a 21-unit project located in Manson. Chelan Gardens is a 16-unit project located in the City of Chelan. Garten Haus is a 32-unit senior housing project located in Leavenworth.

The Housing Authority also owns and manages three low-income multi-family projects located outside the City of Wenatchee. River Run is an 18-unit project in Cashmere. Entiat Gardens is a 26-unit multi-family project located in Entiat. Gibson Gardens is a 20-unit multi-family project located in the City of Chelan.

Since 1999, the Housing Authority has developed homeownership opportunities for low-income, first-time homebuyers through the agency's nonprofit arm, Columbia Valley Housing Association. The agency has two planned developments for low-income, first-time homebuyers in Chelan and Wenatchee. The Housing Authority also contracts with SHARE Land Trust in Leavenworth to provide classes and counseling for first-time homebuyers as well. Educational programs vary in length from one day to five weeks.

The Housing Authority is seeking funding for a proposed 25-unit, year-round agricultural worker housing project in East Wenatchee. If successful, the proposed combined funding project, Bella Rio, will utilize tax credits, Housing Trust Fund, CDBG, and Douglas County SHB 2060 funds.

The Housing Authority is the primary provider and administrator of all Section 8 subsidies in Chelan and Douglas Counties. There are 449 Section 8 sites scattered throughout Chelan County that are administered by the Housing Authority of Chelan County and the City of Wenatchee. Of the 449 Section 8 sites, 214 are located within the Wenatchee city limits. The Association of Realtors reports a strong interest by landlords for this type of assisted housing. In the last year, federal subsidies for the Housing Authority's Section 8 program were reduced by \$76,000. As a result, the Executive Director of the Housing Authority reports that the Housing Authority will only be able to serve 418 sites within the next funding cycle. The Section 8 wait list is closed for the year.

Tenant involvement opportunities exist for the Housing Authority tenants in several ways. Tenant meetings are held quarterly. Staff is on-site a minimum of one hour per day. Newsletters are sent to all tenants on a quarterly basis.

Community Action Council of Chelan-Douglas County

The Community Action Council of Chelan-Douglas County owns and manages an 18-unit transitional housing project in Wenatchee that is targeted to families. Community Action's Sunset Ridge in East Wenatchee is a 32-unit transitional housing project for families.

Private Assisted Units

Private owners provide 421 assisted housing units. Of these, 341 are designated Senior/disabled and the remaining 80 are designated as family units.

Women's Resource Center

The Women's Resource Center manages the Bruce Hotel, which offers 37 units of designated transitional housing and is utilized mainly by single female and single-parent households. The Women's Resource Center operates two other homes targeted for crisis housing, with two units in each facility.

Domestic & Sexual Violence Crisis Center

The Domestic & Sexual Violence Crisis Center owns and manages an emergency crisis facility with a 19-bed capacity.

Hospitality House

The Hospitality House is a single large facility designated for male homeless, with a capacity of 140 beds.

Christopher House

The Christopher House offers 32 units, which are designated for the developmentally disabled and persons with mental illness. The Christopher House's future is in jeopardy with the change in funding for non-Medicaid eligible recipients.

Habitat for Humanity of Greater Wenatchee Area

Habitat for Humanity of Greater Wenatchee Area develops single-family, owner-occupied housing for low-income households using volunteers, contributions, and the "sweat equity" of prospective owners. They build an average of two homes per year. They have purchased three lots with Chelan County SHB 2060 funds and have already built on two of them. However, it has been a struggle to find affordable land to build on in Wenatchee.

HOMELESSNESS AND SPECIAL NEEDS

HOMELESS NEEDS

Once thought to be a big city problem, homelessness is now recognized as a problem without boundaries, a persistent problem in both the rural and urban areas of Washington State. Increased housing costs, unemployment, and cutbacks in many safety net programs have made homelessness a significant issue in small communities such as Wenatchee.

Overview of Homelessness

The Extent of Homelessness in Wenatchee

Data on homelessness for the Wenatchee area is collected on a two-county basis. In October 2004, Chelan and Douglas Counties conducted the first homeless count of the area to determine the number of homeless. This was not a complete count, as parks, rural areas, and small communities were not included in the census. Nevertheless, a total of 323 homeless persons were counted, including 189 homeless households.⁴⁹ Subsequent estimates by the homeless providers in Chelan and Douglas Counties place the probable number of homeless at almost 900 persons.⁵⁰

The October 2004 count revealed that over 60% of Wenatchee area homeless people were males. Most were between the ages of 26 and 45 years or children under 6 years of age (39 in total). The most commonly-cited disabilities were mental illness and physical/medical disabilities.

It is estimated that between 10% and 20% of the homeless are the “chronic homeless” who have a pattern of cyclical homelessness, or have been homeless in and out of shelters for more than a year. According to national studies, in spite of their relatively small numbers, chronic homeless

⁴⁹ Washington Department of Community, Trade and Economic Development (DCTED), Report of October 2004 Statewide Homeless Count.

⁵⁰ Balance of Washington State 2004 HUD McKinney Program Application, July 2004.

people utilize about 50% of homeless resources. Forty-five chronic homeless were counted in the 2004 homeless count.

Causes of Homelessness

No one cause can be cited for homelessness. Often individual homeless persons or families experience multiple conditions or issues leading to their homelessness. A single event often catalyzes homelessness: an eviction, a release from jail, or domestic violence. A recent national survey of homeless providers indicated the following four primary causes of homelessness, ranked in order:

1. Lack of affordable housing
2. Inadequate income
3. Substance abuse and/or mental illness
4. Domestic violence⁵¹

Homeless persons interviewed in the October 2004 Chelan-Douglas homeless count provided the following reasons for their homelessness (in order of frequency):

1. Temporary living situation ended
2. Drug or alcohol use
3. Mental illness
4. Medical problems
5. Lack of job skills
6. Lost job
7. Domestic violence victim
8. Family break-up
9. Unable to pay rent/mortgage

Cost of Homelessness

National studies have reviewed the financial and social costs of homelessness.⁵² Studies have demonstrated that when homeless persons are placed in supportive housing, there are significant reductions in the number and length of future hospitalizations, as well as the length of

⁵¹ Culhane, Dennis (January 2002). "Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing", *Housing Policy Debate*, Vol. 13, Issue 1.

⁵² Ibid.

incarcerations. Additionally, they have demonstrated that the cost of housing persons in permanent housing with supports is no more expensive than the cost of providing emergency and crisis services to homeless persons who are on the streets. The social costs of homelessness are also high. Generally, children living in homeless families are found to have limited socialization skills and are frequent “failures” in the school system. As adults, they also are more likely to become homeless.

Homeless Needs

Homeless persons generally have multiple needs. According to national data, between 35% and 40% of homeless people suffer from mental illness, and approximately 30% have chronic substance abuse problems. Many of the homeless with these conditions require long-term housing with supportive services. Mental health counseling and substance abuse treatment and counseling are also often necessary, as are housing and services for the victims of domestic violence. Case management services are necessary for all homeless people to assure they are provided the services they require. Domestic violence victims generally require special counseling and job skill development.

Community Resources

Homeless resources in the community are limited. The annual Continuum of Care Report prepared by homeless providers in the community and provided to the State of Washington found that there were three emergency shelters, three transitional housing facilities, 40 units of scattered site leasing, and one permanent supportive project for the homeless disabled.⁵³ Four nonprofit organizations provide a total of 387 beds for the homeless. While there is a significant number of beds available, the Washington State Emergency Shelter Assistance Program (ESAP) Report on shelter facilities reveals that, between July 2003 and June 2004, 1,552 persons were turned away. (Note: This is a duplicated count reflecting several repeat turnaways.)

⁵³ 2004 Balance of Washington State HUD McKinney/Vento Application.

Table 39
Housing Resources for the Homeless in the Chelan and Douglas County
Continuum of Care

Housing Type	Beds for Singles	Beds for Families	Total Beds
Emergency Shelter Total	44	62	106
Women's Resource Center	8	40	48
Domestic & Sexual Violence Center	5	13	18
Hospitality House (Men only wing)	22	0	22
Hospitality House	9	9	18
Transitional Housing	13	190	203
Women's Resource Center	7	24	31
Community Action Crescent Village	4	44	48
Community Action Sunset Ridge	2	24	26
Community Action TBRA	0	98	98
Permanent Supportive Housing	78	0	78
Hospitality House	78	0	78
Total All Facilities	135	252	387
Source: 2004 Annual HUD McKinney Application Report, June 2004.			
Note: Tables 38 and 39 cannot be compared, as they represent different areas and a mix of housing units and beds.			

A varied but limited amount of services is available to meet the considerable needs of the homeless in the two-county area. Both housing-based services and free-standing services are available, and churches, nonprofits, and governmental agencies cooperate to provide an array of services. While there are not enough staff and services to meet the needs of the homeless, there are several agencies that provide case management services, life skills training, employment skills, substance abuse counseling and treatment, mental health counseling, transportation, food, clothing, and child care services.

The State of Washington Annual Emergency Shelter Assistance Program Report provides some additional information on the homeless served in Chelan/Douglas Counties. This report only provides data on local programs assisted with ESAP funds, so it does not represent a complete picture of the homeless and their needs. The number of homeless persons served by shelters and transitional facilities in the July 2003-June 2004 report period was 1,562, almost the exact number served in the 2000-2001 period (1,584). Persons in families headed by single women with children represented the largest household type served (552), followed by single men (502) and single women (213). The ethnicity of those assisted with ESAP shelter programs was predominantly Hispanic (64%) and white (27%).⁵⁴

Some indication of the community's capacity to meet the needs of the homeless is reflected in the growth of the number of individuals turned away from shelter and prevention programs (generally because of insufficient resources to serve them). In 2000-2001, 512 individuals were turned away from ESAP-assisted facilities, whereas in 2003-2004, turnaways reported reached 1,923. Some of this increase may have been attributable, however, to changes in reporting and/or programs funded.

Continuum of Care

The Chelan-Douglas Continuum of Care falls under the Balance of Washington State Continuum, a consortium of homeless providers, local governments, and housing authorities representing 33 small and medium-sized counties. The Balance of Washington State Continuum is led by a statewide steering committee that meets monthly to plan and carry out actions for expanding homeless housing and services. Homeless provider agencies in Chelan and Douglas Counties meet annually to discuss the needs of homeless people and then submit a report on those needs and priorities to the Balance of Washington State Continuum.

⁵⁴ State of Washington Department of Community, Trade, and Economic Development, *ESAP Program Client Characteristic Report*, 2001 and 2004.

POPULATIONS WITH SPECIAL NEEDS

Frail Elderly

There is a limited amount of data available on the frail elderly. However, we know that many seniors over 85 years of age are among the frail elderly. As of the 2000 Census, there were 700 residents 85 years and older living in Wenatchee. Wenatchee's elderly population is growing much more slowly than is the case in the nation as a whole, though as baby boomers begin to age, this number will probably increase significantly.

As a person ages, his/her chances of becoming frail increase, requiring significant service needs. Low-income, frail elderly residents are often isolated and in need of nutrition programs, basic services, health care, and social activities. While the size of the population ages 65 years and older with severely debilitated health is not known, an indication of need can be found in the services received by seniors.

Services and Assistance for the Frail Elderly

Aging and Adult Care of Central Washington

Located in East Wenatchee, Aging and Adult Care of Central Washington provides case management, transportation, referrals, nutrition services, legal services, disease prevention, elder abuse prevention, job placement, respite care, and nursing services. The organization's Community Options Program Entry System (COPES) program provides assistance with environmental modification, home-delivered meals, home health aid, and in-home nursing services. Its Aging Network Chore provides short-term assistance with personal care and household tasks, and the Medicaid Personal Care program also provides assistance with personal care and household tasks for disabled persons who are 18 years of age and older.

Wenatchee Valley Senior Activity Center

The Wenatchee Valley Senior Activity Center provides a social atmosphere, support groups, driving and fitness classes, and blood pressure checks.

Persons with Disabilities

The Census found that there were 9,269 persons ages five years and older with disabilities living in Chelan County in 2000. Many of these individuals receive a range of services. As many

disabled persons rely on Social Security Supplemental Income (the major income source within the disabled community), housing for persons with disabilities presents a tremendous problem of affordability. Furthermore, the disabled population may need help with nutrition and food, as well as therapeutic services for mental illness or chemical dependency. Reliable transportation, particularly to evening shift jobs and social events, is always a need. Local para-transportation systems generally cannot provide the individual flexibility that is enjoyed by those with full mobility and personal transportation.

Services and Assistance for Persons with Disabilities

Several organizations provide housing and services in Wenatchee for persons with disabilities.

Chelan-Douglas Regional Support Network (RSN) Developmental Disabilities Program

The RSN's Developmental Disabilities Program provides job placement and follow-up services, including supervised employment for groups of up to eight workers.

Aging and Adult Care of Central Washington

Aging and Adult Care of Central Washington provides client screening and advocacy and caregiver training. The agency also runs several programs that benefit persons with disabilities:

- La Fuente De La Amistad offers bilingual referral services and information on programs accessible by Hispanic elders and their families.
- Medicaid Personal Care provides personal care and assistance with household tasks to disabled persons 18 and older.
- Community Options Program Entry System (COPES) provides assistance with personal care and household tasks to disabled persons 18 and older. It also provides home-delivered meals, home health services, nursing services that are in addition to or not available to persons through Medicare and coordinates an environmental modification program that enables the disabled to live at home.

Persons with Mental Illness

Mental illness ranges from mild and short-term depression to chronic, lifetime conditions such as schizophrenia. Publicly-funded services focus on persons whose mental illness affects their ability to work and live in the community independently. Most persons with depression, anxiety, and other mental illnesses that can be self-managed do not reside in institutions. This is largely

due to the fact that the major focus of publicly-funded mental health services is on stabilization and avoidance of institutionalization. In fact, in May 2002, a survey counted only 26 patients with a mental health diagnosis in inpatient facilities in the Chelan-Douglas RSN.⁵⁵

The Washington State Department of Social and Health Services estimates that 4,978 people with severe mental illness resided in the Chelan-Douglas region in 2002.⁵⁶ Severe mental illness includes disorders such as schizophrenia, psychosis, severe depression, bi-polar disorder, and other organic brain disorders, such that the disorder limits lifestyle and life activities.

Services and Assistance for Persons with Mental Illness

The Chelan-Douglas Regional Support Network offers referral services to several local providers for mental health and developmental disabilities:

Children's Home Society of Washington

The Children's Home Society of Washington contracts with the Chelan-Douglas RSN to provide counseling, case management, and support services to children and families, including therapeutic foster care.

Chelan-Douglas Behavioral Health Clinic

The Chelan-Douglas Behavioral Health Clinic provides a Crisis Line and 24-hour crisis response, case management, psychiatric services, medication management, housing/residential services, vocational counseling, and outreach and intake services for older adults.

Catholic Family and Child Services

Catholic Family and Child Services provides counseling and case management, child and family therapy, support groups, and intensive family preservation services for children and families with extensive needs.

Promise Club

The Promise Club offers life skills training and recreational activities for people with mental illness.

⁵⁵ Washington State Department of Social and Health Services, *The Prevalence of Serious Mental Illness in Washington State*, December 2003.

⁵⁶ Ibid.

Victims of Domestic Violence

Victims of domestic violence have significant immediate needs for shelter and crisis services and ongoing needs for support to overcome the trauma they have experienced. If children are involved in a domestic violence situation, additional support is necessary to ensure both the child's safety and his or her physical and emotional well-being. Child Protective Services investigated 360 referrals of child abuse in 2003, accepting 546 children in those referrals.⁵⁷

Services and Assistance for Victims of Domestic Violence

Domestic and Sexual Violence Crisis Center of Chelan and Douglas Counties

The Domestic and Sexual Violence Crisis Center of Chelan and Douglas Counties (formerly Phoenix Place) offers a temporary emergency shelter for women and their children. The Center also runs a 24-hour crisis line, community education services, support groups, counseling services, an address confidentiality program, and safety classes.

Persons with HIV/AIDS

There have been a limited number of HIV/AIDS cases in the county. Since statistics were collected on HIV/AIDS in 1982, there have been 49 cases of HIV/AIDS reported in Chelan County and 22 deaths recorded.

Services and Assistance for Persons with HIV/AIDS

Chelan-Douglas Health District

The Chelan-Douglas Health District provides community education at schools, the workplace, and other locations in the community to improve awareness, prevention techniques, and information on access to services. The District Personal Health staff conduct counseling and testing, as well as outreach to high-risk populations. Case management services are also available for persons with HIV/AIDS through a contract with the Wenatchee Valley Clinic.

⁵⁷ Washington State Department of Social and Health Services, *Accepted CPS Referral Victim Counts*, 2003. Note: These are DSHS-investigated referrals only and not the number of founded cases of child abuse.

Substance Abuse

Substance abuse, while an issue in its own right, also complicates a wide range of possible service needs. Abuse often contributes to family conflict and dysfunction. It complicates treatment of mental health problems in persons who self-medicate with drugs and/or alcohol, and it is frequently a factor in homelessness both in single transients and families in crisis. Past state reports on drug and alcohol use have estimated that substance abuse in Chelan County is somewhat lower than it is statewide. In 1998, 9.5% of the adult population in Chelan County was in need of substance abuse treatment, compared to the state rate of 12.5%. However, the need for treatment among adults 18-24 years old was a much higher rate of 24.8%. In addition, it was estimated that 37% of adults in the county have experienced illicit drugs, compared with 41% statewide.⁵⁸

Services and Assistance for Persons with Substance Use/Abuse Issues

Canyon View Group Home

Canyon View Group Home offers a juvenile rehabilitation program in East Wenatchee for male youths. Services include a long-term residential service, offering eight beds, and a recovery house with 16 beds.

Center for Alcohol and Drug Treatment

The Center for Alcohol and Drug Treatment offers inpatient and outpatient services, as well as detoxification. The Center also offers intensive inpatient service with 30 beds and sub-acute detoxification service with eight beds for adults.

Quality Resources

Quality Resources provides an alcohol and drug information school and intensive outpatient services for adults.

Alpha/Beta IV

Alpha/Beta IV provides an alcohol and drug information school and intensive outpatient services for adults.

⁵⁸ Washington State Department of Social and Health Services, *Profile of substance abuse and need for treatment services in Washington State*, March 2002.

Addiction Recovery Center

The Addiction Recovery Center offers an alcohol and drug information school and inpatient services for adults, with six beds, and outpatient services for adolescents and adults.

Barrier and Associates, Inc.

Barrier and Associates, Inc., located in East Wenatchee, offers an alcohol and drug information school and intensive outpatient services for English- and Spanish-speaking youths and adults.

COMMUNITY DEVELOPMENT

PUBLIC FACILITIES AND SERVICES

The *City of Wenatchee, Capital Improvement Plan, 2005 to 2010* outlines the needs of the community in detail. The plan includes the following needs over the period 2005-2010:

Arterial Street, Street Overlay, and Street Improvements **\$51,411,400**

Most of the street budget (92%) is targeted for arterial streets, followed by street overlays with 7% of the budget and streets with less than 1% of the budget.

Arterial Street	\$47,701,400
Street Overlay	\$ 3,600,000
Streets	\$ 110,000

Water and Regional Water **\$ 5,698,000**

Most of the water budget is targeted for system improvements and upgrades. The regional water budget includes improvements and a new high-capacity well.

Water	\$ 4,423,000
Regional Water	\$ 1,275,000

Stormwater and Sewer **\$11,174,898**

The sewer budget will upgrade the city's treatment plant and improve aging lines. The projects in the stormwater program will provide infrastructure capable of handling a 10-year storm with new drains and improvements to the existing system.

Sewer	\$ 4,400,000
Stormwater	\$ 6,774,898

Parks and Recreation **\$ 1,966,000**

The parks and recreation budget includes park improvements and expansions, a boat dock and launch, and a slide for the pool.

General Facilities and Convention Center

\$17,072,000

The focus of the general facilities budget is in the following areas:

Convention Center	\$ 578,000
Community Center	\$ 1,986,000
Public Works Relocation	\$ 5,000,000
New Fire Station & Training Facility	\$ 8,000,000
City-owned Facilities Maintenance	\$ 1,508,000

Includes museum, fire station, city hall, etc.

NEIGHBORHOOD REVITALIZATION

Many Wenatchee neighborhoods are in need of improvements. The most critical needs and the majority of CDBG-qualified neighborhoods are located in the south Wenatchee area. As a result of a series of analyses and assessments conducted in the south Wenatchee region, needs were identified. The largest challenge for the south-end neighborhood is increasing awareness and understanding between people of various cultures that call the area home. New programs needed include a special emphasis on the provision of culturally-bonding activities for youth, family, and aging services.

Several new programs and projects have been implemented. Programs have included improvements to sidewalks, streets, curbs, and gutters. A program was developed to encourage and help clean up the alleyways. A new housing rehabilitation program for substandard housing units has been made available to homeowners. Another program is in the development stage for landlords to help bring substandard rental housing into compliance. A community policing program has also been implemented. Higher police presence in the south end instigated the community-based improvements to many parks located in the south end. A new community center will provide access to many community organizations and supportive services. Positive youth programs are planned to reduce the incidence of at-risk children joining gangs and reduce gang activity. Code enforcement activities have been a powerful tool to eliminate unsafe and unsightly conditions in revitalizing neighborhoods.

One of the neighborhood groups in areas eligible for CDBG assistance is Amigos Al Servicio De La Comunidad. The group was created in the early 2000s to focus community efforts to improve the neighborhoods in the south end of the city. This group has been actively assisting in the revitalization of several neighborhoods within the south end. Los Amigos has supported and promoted culturally-bonding activities for all residents.

There are grave community concerns that energies and resources be invested in other neighborhoods that are at risk of becoming blighted. As a result, the City's Department of Community Development has encouraged efforts to form a community group in north Wenatchee. The Department has assisted in planning services to undertake multi-faceted activities aimed at improving the economic base, the environment, safety, and livability of north-end communities. A small grant program for new start-up groups and nonprofit organizations is available.

ECONOMIC DEVELOPMENT

In 2000, the City commissioned an economic study with the Center for the New West, *Wenatchee – a High Performance Community Strategy*. Implementation of many of the recommendations from this study would support economic development by (1) providing the necessary physical infrastructure and setting, (2) creating a desirable living environment that will attract the desired work force and support their family activities, and (3) supporting the development of increased educational facilities.

A major revitalization effort is now underway of the Wenatchee waterfront development plan and Riverside Drive. The riverfront revitalization highlights the park and the river and includes a mix of commercial, residential, and recreational uses. The proposed development includes moving the public works building, encouraging development of mixed-income housing with incentives for the addition of affordable housing options, and identification of opportunities for infill and expansion of existing commercial areas.

In addition to residential neighborhoods that are working toward revitalizing their communities, the City and its regional partners are engaged in a variety of economic development activities. The region's economic base is transitioning from mainly agricultural and resource-based industries to a broader spectrum of economic industries. Information-based industries, tourism,

and services, as well as agriculture, are expected to lead the region's economy. City and regional leaders are exploring opportunities to stimulate economic growth, ease traffic congestion, transform the downtown and the waterfront, improve neighborhoods, and provide health, education, and human services.

COMMUNITY ASSETS

PUBLIC FACILITIES

Senior Center

The Wenatchee Senior Center is owned and managed as a nonprofit agency. Located on Maple Street in north Wenatchee, it serves individuals 55 years and older who reside in the greater Wenatchee region. The Senior Center offers onsite meals, educational classes, a legal clinic, exercise classes, health clinic, Internet access, a lending library, tax assistance, and social activities.

Community Center

The City of Wenatchee is in the process of developing a community center on the old Saint Joseph's Church property. Funds were secured for the acquisition of the property, and the City has now secured funds for the renovation of the facility.

Child Development Services

Children's Home Society provides services for children who have special needs, mental illness, disabilities, or developmental delays. A variety of services are provided. For example, the intervention/special education program provides an array of services such as preschool, home consultation, speech, language and occupational therapies, behavior consultation, and autism services.

Parks and Recreation Facilities

There are 10 city parks located throughout Wenatchee. With over 80 acres of open space, the City provides opportunities for athletic and performance venues, picnic and meeting spaces, and community playgrounds. Two ice arenas, a 50-meter outdoor pool, and a skateboard park are all located in low-income neighborhoods. The Wenatchee School District provides three parks, and the Chelan County Public Utility District provides access to three riverfront parks.

INFRASTRUCTURE

Streets

Most of the CDBG-eligible census block groups are located in south Wenatchee and in the oldest parts of the city. The City has begun a systematic program of street improvements using a variety of funding sources.

Several projects are planned over the next five years to improve streets, signals, crosswalks, sidewalks, and street lighting. Several projects have been identified for roadway reconstruction on arterial streets to improve traffic flows and increase safety, circulation, and capacity.

Public Services

The City of Wenatchee is the largest city in several neighboring counties, including Grant, Douglas, Okanogan, and Chelan Counties. The city serves as a regional hub for public services, legal, commercial, and medical services. There are approximately 65 public service agencies located in the city, both nonprofit and governmental. Most of these agencies serve both Chelan and Douglas Counties, as well as the City of Wenatchee.

Central Washington Hospital, Wenatchee Valley Medical Center, Chelan Douglas Health District, and Columbia Valley Community Health provide key medical services.

FIVE-YEAR STRATEGIES

PRIORITIES

The City of Wenatchee has established three major priorities for the 2005 to 2009 time period. This Plan lays out these priorities and describes how the City will make significant progress in each of these areas.

One of the City's top priorities is the addition of decent and affordable housing stock to the community's inventory. The current lack of housing that is affordable to the community's low- and moderate-income individuals is creating a snowball effect; these families are spending so much of their income on housing they are unable to cover food, heat, health care, and other essential costs.

One short-term strategy related to increasing the supply of decent, affordable housing is to conduct a feasibility study to determine the potential effectiveness and desirability of both regulatory and incentives-based methods to improve landlord maintenance of properties inhabited by low- and moderate-income individuals and households.

The scarcity of affordable land suitable for building within the city limits represents a significant obstacle to increasing the supply of affordable housing. For this reason, the City plans to pursue a combined strategy of rehabilitating existing rental and homeowner properties, as well as investing in the infrastructure costs associated with new buildings. In addition, the City intends to conduct an assessment of the current impediments to fair housing that exist within the local housing market.

The City's second priority speaks to non-housing-related community development issues, specifically the challenges the community faces in regard to some of its neighborhoods. The historic concentration in some neighborhoods of rental properties that house low- and moderate-income individuals and families, particularly those in the South Wenatchee area, has resulted in deteriorated conditions and significant health and safety concerns. The importance of involving local residents and businesses in revitalizing these neighborhoods is critical; the addition of sidewalks and lighting will significantly improve the safety and livability of these areas and make local residents proud to live there.

In addition to adding infrastructure in the form of sidewalks and lighting, the City plans to add community facilities to provide focal points for community life, particularly in areas such as South Wenatchee. The creation of a community center in South Wenatchee, for example, will provide a venue where neighborhood residents can participate in youth and adult recreation activities, cultural programs, educational classes, and other activities.

In terms of its third priority, the City is committed to enhancing the work of the economic and business development programs that presently strive to bring new job opportunities to the community. As a short-term strategy, the City will explore the successes other similar communities have attained through the use of incentive-based business development strategies. Equipped with the information from this analysis, the City will work with local business development programs to improve their effectiveness. The end result of this process will be an enhanced set of strategies to bring new jobs to the community's low- and moderate-income residents.

An additional area of focus for the City involves the need for additional community residents to become workforce ready. Either through language barriers or lack of educational achievement, many of the community's low- and moderate-income residents are unable to compete for living wage jobs. By providing leadership in encouraging additional English as a Second Language (ESL) and youth mentoring programs, the City hopes to expand the community's present capacity to address this problem.

The City is committed to its success as a CDBG entitlement jurisdiction and intends to make the best use possible of the limited funding it will receive. Keeping the small amount of funding in mind, the City has decided to focus much of its CDBG funding on a small number of critical areas and use non-CDBG approaches, such as City advocacy and leadership, to achieve other types of changes. The strategies outlined below reflect this decision on the City's part.

GOALS, OBJECTIVES, STRATEGIES

GOAL 1: PROVIDE DECENT AFFORDABLE HOUSING

Objective A: Increase the supply of affordable housing available to the community's lowest-income households

Strategies:

1. Establish and fund a program to create new permanent housing for lower-income families and supportive transitional and permanent housing for the homeless and other at-risk populations through approaches such as land acquisition, infrastructure development, and acquisition of property for combined housing/economic development projects
2. Explore incentives for landlords, the Housing Authority, and other developers to increase the amount of affordable housing available to the community's most vulnerable residents

Objective B: Improve the quality of rental housing available to the community's lowest-income households and individuals

Strategies:

1. Investigate methods for improving enforcement of the City of Wenatchee housing codes, such as researching regulatory and incentives-based methods other jurisdictions have used to achieve improved quality of local rental housing, while ensuring that these methods do not contribute to increased homelessness (Short term strategy – Report on results by 2007)
2. Explore options for working with landlords to improve the safety and livability of the affordable housing currently available to low-income people in the community
3. Encourage cooperative efforts to maintain or expand facilities for the homeless

Objective C: Expand homeownership opportunities

Strategies:

1. Assist owners in rehabilitating their homes

2. Encourage homeownership through homeownership classes and brochures explaining fair housing laws, financial counseling, and other methods of assisting homebuyers and homeowners, including promoting greater use of existing down payment assistance programs and promotion of fair housing opportunities

GOAL 2: IMPROVE THE QUALITY OF LIFE THROUGHOUT THE COMMUNITY (HUD – A SUITABLE LIVING ENVIRONMENT)

Objective A: Revitalize neighborhoods

Strategies:

1. Work in partnership with neighborhood residents, property owners, and businesses to upgrade basic infrastructure, such as sidewalks, lighting, landscaping, and facilities
2. Encourage neighborhood residents, property owners, and businesses to work together to eliminate health and safety hazards and to improve neighborhood attractiveness by participating in community improvement activities, such as neighborhood clean-up projects

Objective B: Provide support for integrated high priority public services and community facilities

Strategies:

1. Provide assistance to maintain and expand community facilities that offer multiple activities and services for lower-income families, such as youth activities, child care, social and recreational programs for adults, and English as a Second Language courses
2. Encourage initiatives that support integrated approaches to delivering safety net services, such as co-locating facilities offering multiple services, including child care, youth activities, and employment, with transportation resources such as bus shelters and transfer stations

GOAL 3: INCREASE INDIVIDUAL AND COMMUNITY SELF-SUFFICIENCY (HUD - EXPANDED ECONOMIC OPPORTUNITIES)

Objective A: Increase the number of living wage jobs available within the community

Strategies:

1. Identify successful regulatory and incentives-based methods other communities have used to encourage businesses to relocate or expand in their areas, such as tax incentives, community enterprise zones, tax credits, and other approaches (Short-term strategy – Report on results by 2007)
2. Work in partnership with existing business development programs to enhance their capacity to help small businesses hire and retain low- and moderate-income individuals, through approaches such as investigating the feasibility of micro-lending, encouraging strong connections between neighborhood schools and businesses, and advocating for the regular evaluation of the community's economic development programs

Objective B: Provide lower-income persons with assistance in obtaining the education and skills needed to compete for living wage jobs

Strategies:

1. Encourage increased availability of English as a Second Language training and greater participation in ESL classes
2. Encourage the expansion of mentoring activities that assist lower-income persons in becoming workforce-ready

PERFORMANCE MEASURES: 2005-09 PLAN

Goal 1: Provide decent affordable housing

Objective A: Increase the supply of affordable housing available to the community's lowest-income households

Performance Outcome

- Lower-income households and individuals are able to successfully secure and maintain decent, affordable housing

Performance Measures

- Number of additional affordable housing units available to lower-income families and individuals due to CDBG investment in land acquisition, infrastructure development, and acquisition of property for combined housing/economic development projects (Goal: 16 units)
- Completion of report identifying proven methods for employing incentives to encourage landlords, the Housing Authority, and other developers to increase the amount of affordable housing they offer to the community's most vulnerable residents (Goal: 1 report)

Objective C: Expand homeownership opportunities

Performance Outcomes

- Current homeowners have decent, safe, and sanitary homes

Performance Measures

- Number of owner households with rehabilitation completed (Goal: 27 households plus addition 14 households with State CDBG funds)

Goal 2: Improve the quality of life throughout the community

Objective A: Revitalize neighborhoods

Performance Outcomes

- Priority City neighborhoods have additional infrastructure (sidewalks, lighting, landscaping, facilities)
- Local residents, landlords, and businesses participate in cooperative activities to improve priority City neighborhoods

Performance Measures

- Number of households served by new neighborhood improvements, including sidewalks, lighting, landscaping, and/or facilities (Goal: 120 households)
- Number of community/neighborhood clean-up events where residents, landlords, and/or businesses actively participate in planning and/or implementation (Goal: 4 clean-up events)

Objective B: Provide support for integrated high priority public services and community facilities

Performance Outcomes

- Residents can take part in a wide range of activities and services at neighborhood-based facilities
- Residents can utilize capital projects that facilitate access to community services

Performance Measures

- Number of additional persons served by services and activities offered at neighborhood-based community facilities (Goal: 300 persons)
- Number of capital projects planned and/or implemented that incorporate complementary access to safety net services (Goal: 1 community center completed)

ANTI-POVERTY STRATEGY

The strategies under Goal 3 of the Plan include those that the City will implement to assist the community's low- and moderate-income residents in their pursuit of greater self-sufficiency, economic independence, and an improved quality of life. The City's overall goal is to reduce the number of persons living in poverty. To accomplish this, the City will work with local businesses and economic development organizations to increase the number of living wage jobs and encourage community-based educational enhancement efforts to improve the ability of low- and moderate-income residents to compete for these jobs. For those community residents who need additional services to enable them to become self-sufficient, the City will enhance the ability of local organizations to effectively serve these individuals and families by promoting the efficient use of community facilities and other resources.

HOMELESS STRATEGY

The Chelan-Douglas Continuum of Care planning group has established priorities to carry out strategies aimed at preventing homelessness among the lowest-income individuals and families who are at imminent risk of becoming homeless and returning persons who have become homeless back to self-sufficiency as soon as possible. Non-homeless persons with special needs are also a concern, as many are at risk of becoming homeless. Area agencies, including the Regional Support Network, are working to assist these populations. The overall priorities of the two-county continuum are, in order: 1) to assist families with children with emergency shelter, transitional housing, and affordable housing; 2) to assist the mentally ill with transitional and permanent supportive housing (many of the mentally ill persons to be served are chronic homeless persons); and 3) to assist youth with emergency shelter, transitional housing, and related services. While maintaining the current level of services and housing is the overriding priority, the continuum is considering the potential for expanding assistance in the coming year.

The individual agencies each provide a range of services and housing to the particular homeless subpopulations on which they focus. For example, the Community Action Agency works with area shelters and agencies providing case management services to move homeless families from shelters and the street into its 22-unit transitional housing program. The agency then places those who are ready for permanent housing into its 26-unit affordable housing program as space

is available. The homeless providers are currently reviewing the results of the January 2005 homeless count and, in particular, the first-ever effort to enumerate the “chronic homeless” (i.e., homeless persons who have been homeless for more than a year or with at least four episodes of homelessness in the past three years). Following the analysis of these data, homeless providers will establish priorities and plans for the chronic homeless and other homeless populations.

PUBLIC HOUSING STRATEGIES

The Housing Authority’s five-year plan includes strategies for serving extremely low income, low-income, and moderate-income families, as well as strategies for encouraging homeownership by residents and involvement in the management of the housing. The Housing Authority does not have any HUD-designated public housing stock in its housing inventory. The Housing Authority’s plan calls for targeting available assistance to families at or below 30% of area median income and exceeding HUD federal targeting requirements for families at or below 30% of area median income in tenant-based Section 8 assistance. In addition to working with low-income, first-time homebuyers through the Columbia Valley Housing Association, the Housing Authority has two planned developments for low-income, first-time homebuyers. The Housing Authority also contracts with SHARE Land Trust in Leavenworth to provide classes and counseling for first-time homebuyers. The Housing Authority’s Homeownership Program, which was instituted in September 2004, will serve 25 families at its capacity. Housing Authority staff work closely with local realtors and bankers to provide families with opportunities to become successful homeowners. The City is a partner with the Housing Authority in many of these efforts, and the two organizations work closely on a number of special project activities, including the housing rehabilitation income verification.

LEAD-BASED PAINT HAZARDS

In addition to the need to add affordable units, the City also has a great deal of aging housing stock, some of which may be contaminated with lead-based paint. This contamination represents a health hazard to the community’s children and must be addressed through mitigation and/or removal through the City’s proposed housing rehabilitation efforts.

Currently, rehabilitation projects that cost over \$5,000 in improvements that are undertaken by the City must have a lead-based paint hazard assessment. The City currently contracts with a private company in Yakima to do the lead survey. Based on the firm's findings, rehabilitation occurs in accordance with HUD and EPA procedures. In most circumstances, interim controls are used for any identified lead hazard. After completion of the rehabilitation, a lead hazard surveyor does a clearance check to confirm that the interim controls do not present a lead hazard.

FAIR HOUSING

Fair housing is a concern of the City and the agencies providing housing assistance in the Wenatchee Valley. The City plans to set aside CDBG funds from the 2006 Entitlement Grant to conduct an assessment of the impediments to fair housing. The City also intends to pursue efforts to expand awareness of fair housing issues through its homeowner classes. It is considering providing information annually through events, such as resource fairs, and community events, and it is exploring the potential for cooperative efforts with local lenders.

BARRIERS TO AFFORDABLE HOUSING

The lack of suitable land for development is one of most significant barriers to increasing the amount of affordable housing available within the city. Some policymakers within the City would argue that Washington State's Growth Management Act (GMA) is a major contributor to this scarcity of land. In order to address GMA's impact on affordability, the City is currently reviewing the new GMA population allocations and urban growth area. In addition to these barriers, the City is pursuing a number of strategies to support an increase in the amount of affordable housing developed within the urban core, including addressing regulatory issues, reducing neighborhood opposition, offering tax incentives for residential construction, historic preservation, and using funds from the recording surcharge fee to purchase property (in partnership with Habitat for Humanity). In addition, the City waives building permit fees for affordable housing projects in the south Wenatchee housing rehabilitation area.

MONITORING STRATEGY

The City will monitor the successful implementation of its CDBG projects through administrative oversight. A half-time employee will be responsible for overall administration of the CDBG program. This individual will conduct regular reviews of the progress achieved by each of the nonprofit organizations under contract. These reviews will be based on the performance measures described in this Plan and will include both paper-based reports and on-site visits. In addition, the City will require that all CDBG recipients participate in an initial training session to review HUD's compliance requirements.

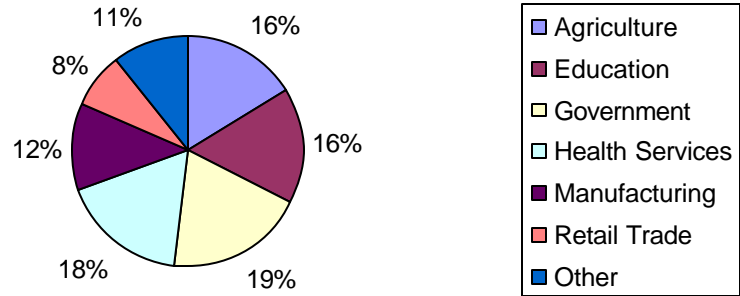
APPENDIX A: MAJOR EMPLOYERS

Major Employers, Chelan County, December 1999

Company	Type of Company	Number of Employees
State of Washington	Government	1,186
Wenatchee Public Schools	Education Services	1,028
Central Washington Hospital	Health Services	1,000
Wenatchee Valley Clinic	Health Services	885
U.S. Government	Government	860
Stemilt Growers	Agriculture	754
Eastmont School District	Education Services	662
ALCOA	Manufacturing	591
Chelan County PUD	Utilities	559
Triple C Convalescent Center	Health Services	510
Pacific Aerospace & Electronics	Manufacturing	492
Chelan County	Government	464
Dole Northwest	Agriculture/Wholesale	408
Wenatchee Valley College	Education Services	391
Douglas County	Government	350
Safeway	Retail Trade	346
Trout-Blue Chelan Inc.	Agriculture/Wholesale	320
Tree Top, Inc. (combined)	Manufacturing	315
McDougall & Sons, Inc.	Agriculture/Wholesale	236
Chief Wenatchee	Agriculture/Wholesale	233
Campbell's Resort	Lodging Service	225
Columbia Fruit Packers	Agriculture/Wholesale	222
Mission Ridge Mountain Corp.	Recreation	210

Liberty Orchards	Manufacturing	206
Cascade School District	Education Services	198
City of Wenatchee	Government Services	194
Cashmere School District	Education Services	174
Fred Meyer	Retail Trade	173
Costco	Retail Trade	171
Blue Star Growers, Inc.	Agriculture/Wholesale	162
Lake Chelan Community Hospital	Health Services	155
Chelan School District	Education Services	157
The Wenatchee World	Printing and Publishing	151
Wal-Mart	Retail Trade	148
Dolco Packaging	Manufacturing	144
Cashmere Convalescent Center	Health Services	142
Cashmere Valley Bank	Financial Services	139
Douglas County PUD	Utilities	139
J. C. Penney	Retail Trade	131
Link Transit	Transportation	131
Longview Fibre Co.	Manufacturing	122
Northern Fruit Company	Agriculture/Wholesale	118
Naumes Inc.	Agriculture/Wholesale	116
WestCoast Wenatchee Center Hotel	Lodging Service	116
Cascade Autocenter	Retail Trade	115
Columbia Valley Community Health Services	Health Services	110
Sears	Retail Trade	110
Albertson's	Retail Trade	106
Source: Quest for Economic Development Top Employers Survey, 1999.		

**Major Employers By Industry, Chelan County,
December 1999**



APPENDIX B: CITY OF WENATCHEE HOUSING CODE

Section XVIII – Substandard Buildings, City of Wenatchee Housing Code

A. Definition.

- 1) General.** Any building or portion thereof which is determined to be an unsafe building in accordance with Section 102 of the Building Code; or any building or portion thereof, including any dwelling unit, guest room or suite of rooms, or the premises on which the same is located, in which there exists any of the conditions referenced in this section to an extent that endangers the life, limb, health, property, safety or welfare of the public or the occupants thereof shall be deemed and hereby are declared to be substandard buildings.
- 2) Inadequate Sanitation.** Buildings or portions thereof shall be deemed substandard when they are unsanitary. Inadequate sanitation shall include, but not be limited to, the following:
 - (a)** Lack of, or improper water closet, lavatory, bathtub, or shower in a dwelling unit or lodging house.
 - (b)** Lack of, or improper water closets, lavatories and bathtubs or showers per number of guests in a hotel.
 - (c)** Lack of, or improper kitchen sink in a dwelling unit.
 - (d)** Lack of hot and cold running water to plumbing fixtures in hotel.
 - (e)** Lack of hot and cold running water to plumbing fixtures in a dwelling unit or lodging house.
 - (f)** Lack of adequate heating facilities.
 - (g)** Lack of, or improper operation of required ventilating equipment.
 - (h)** Lack of minimum amounts of natural light and ventilation required by this Ordinance.
 - (i)** Lack of required electrical lighting.

- (j) Dampness of habitable rooms.
- (k) General dilapidation or improper maintenance.
- (l) Lack of connection to required sewage disposal system.

3) Structural Hazards. Buildings or portions thereof shall be deemed substandard when they are or contain structural hazards. Structural hazards shall include but not be limited to the following:

- (a) Deteriorated or inadequate foundations that threaten structural integrity and pose an imminent threat to life or safety.
- (b) Defective or deteriorated flooring or floor supports.
- (c) Flooring or floor supports in insufficient size to carry imposed loads with safety.
- (d) Members of walls, partitions or other vertical supports that split, lean, list or buckle due to defective material or deterioration.
- (e) Member of walls, partitions or other vertical supports that are of insufficient size to carry imposed loads with safety.
- (f) Members of ceilings, roofs, ceiling and roof supports, or other horizontal members which sag, split, or buckle due to defective material or deterioration.
- (g) Members of ceilings, roofs, ceiling and roof supports, or other horizontal members that are of insufficient size to carry imposed loads with safety.
- (h) Fireplaces or chimneys which list, bulge, or settle due to defective material or deterioration.
- (i) Fireplaces or chimneys which are of insufficient size or strength to carry imposed loads with safety.

4) Nuisance. Buildings or portions thereof in which there exists any nuisance as defined in this Ordinance are deemed substandard buildings.

5) Hazardous Electrical Wiring. Electrical wiring which was installed in violation of code requirements in effect at the time of installation or electrical wiring not installed in

accordance with generally accepted construction practices in areas where no codes were in effect or which has not been maintained in good condition or which is not being used in a safe manner shall be considered substandard.

6) Hazardous Plumbing. Plumbing which was installed in violation of code requirements in effect at the time of installation or plumbing not installed in accordance with generally accepted construction practices in areas where no codes were in effect or which has not been maintained in good condition or which is not free of cross-connections or siphonage between fixtures shall be considered substandard.

7) Hazardous Mechanical Equipment. Mechanical equipment which was installed in violation of code requirements in effect at the time of installation or mechanical equipment not installed in accordance with generally accepted construction practices in areas where no codes were in effect or which has not been maintained in good and safe condition shall be considered substandard.

8) Faulty Weather Protection. Buildings or portions thereof shall be considered substandard when they have faulty weather protection which shall include, but not be limited to, the following:

(a) Deteriorated, crumbling or loose plaster.

(b) Deteriorated or ineffective waterproofing of exterior walls, roof, foundations or floors, including broken windows or doors.

(c) Defective or lack of weather protection for exterior wall coverings, including lack of paint, or weathering due to lack of paint or other approved protective covering.

(d) Broken, rotted, split or buckled exterior wall coverings or roof coverings.

9) Fire Hazard. Any building or portion thereof, device, apparatus, equipment, combustible waste or vegetation which, in the opinion of the Director of the fire department, is in such a condition as to cause a fire or explosion or provide a ready fuel to augment the spread and intensity of fire or explosion arising from any cause shall be considered a substandard building.

- 10) Faulty Materials of Construction.** The use of materials of construction, except those which are specifically allowed or approved by this Ordinance and the Building Code, and which have been adequately maintained in good and safe condition, shall cause a building to be substandard.
- 11) Hazardous or Unsanitary Premises.** The accumulation of weeds, vegetation, junk, dead organic matter, debris, garbage, offal, rat harborages, stagnant water, combustible materials and similar materials or conditions on a premises constitutes fire, health or safety hazards which shall be abated in accordance with the procedures specified in Section XIX of this Ordinance.
- 12) Inadequate Exits.** Except for those buildings or portions thereof which have been provided with adequate exit facilities conforming to the provisions of this Ordinance, buildings or portions thereof whose exit facilities were installed in violation of code requirements in effect at the time of their construction or whose exit facilities have not been increased in number or width in relation to any increase in occupant load due to alterations, additions or change in use or occupancy subsequent to the time of construction shall be considered substandard. Notwithstanding compliance with code requirements in effect at the time of their construction, buildings or portions thereof shall be considered substandard when the Director finds that an unsafe condition exists through an improper location of exits, a lack of an adequate number or width of exit, or when other conditions exist which are dangerous to human life.
- 13) Inadequate Fire-protection or Fire-fighting Equipment.** Buildings or portions thereof shall be considered substandard when they are not provided with the fire-resistive construction or fire-extinguishing systems or equipment required by this Ordinance, except those buildings or portions thereof which conformed with all applicable laws at the time of their construction and whose fire-resistive integrity and fire-extinguishing systems or equipment have been adequately maintained and improved in relation to any increase in occupant load, alteration or addition, or any change in occupancy.
- 14) Improper Occupancy.** All buildings or portions thereof occupied for living, sleeping, cooking or dining purposes which were not designed or intended to be used for such occupancies shall be considered substandard.

APPENDIX C: CITY OF WENATCHEE 2005 ANNUAL HOUSING & COMMUNITY DEVELOPMENT ACTION PLAN

ANNUAL OBJECTIVES

During the first year, the City will focus HUD-assisted CDBG funds on implementing a limited number of the objectives of the Consolidated Plan, as follows:

Goal 2: Improve the Quality of Life throughout the Community

Objective B: Provide support for integrated high priority public services and community facilities. HUD-assisted CDBG activities will be used to advance the strategy of providing assistance to maintain and expand community facilities that offer multiple activities and services for lower-income families, such as youth activities, child care, social and recreational programs for adults, and English as a Second Language courses. To implement this strategy, the City will develop a new community center in the South Wenatchee neighborhood to provide critical services and assistance to lower-income households. This project is more fully described in the following two sections of the Annual Plan.

One additional Objective will be worked on during the year utilizing state-assisted CDBG funds:

Goal 2: Improve the Quality of Life throughout the Community

Objective A: Revitalize neighborhoods. The City will install new sidewalks to four blocks on Peachey Street and will schedule paving alleys and improving street lighting in South Wenatchee. In addition, the City staff will work with neighborhood groups to coordinate a neighborhood clean-up activity to further this objective.

Resources

A variety of funding sources will be used to support the primary activity of the 2005 Annual Action Plan, the Community Center. These funds include CDBG funds from HUD and from the State of Washington, City general funds, local agency funds, and private foundations. There is no program income anticipated this year. The following are committed sources of funds available to complete priority activities during the first year:

HUD CDBG Entitlement Funds	\$300,000
State of Washington CDBG Investment Fund	\$1,000,000
State of Washington Legislative Appropriation	\$393,000
City of Wenatchee (Veterans Hall insurance proceeds)	\$880,000
City of Wenatchee (sale of \$1 HUD homes)	\$55,740
Distressed County Funds	\$50,000
Port of Chelan County	\$180,000
Community Action Council	\$15,000
The Gates Foundation	\$285,000
Local Fundraising	\$75,000
TOTAL AVAILABLE	\$3,233,740

Focus of CDBG Project Activities in 2005

Wenatchee has one particular neighborhood where economic, social, and physical conditions are significantly different than the rest of the city or county. The South Wenatchee area includes the largest concentration of lower-income households in the City. This neighborhood has a broad range of need and will be the focus of first-year activities.

Children, families, seniors, and the Hispanic community are most affected by the problems associated with South Wenatchee. The economic conditions of the neighborhood contrast starkly with the rest of the city, Chelan County, and Washington State. Almost half of the residents (43%) in the neighborhood are Hispanic, compared to 20% in the city. Twenty-nine percent of all residents of this neighborhood live in poverty. With nearly three people per household, the median household income is \$21,372. Senior household income amounts to only \$14,315, and nearly a third (31.85%) of the households in the target area made less than \$15,000 in 1999.

Nearly one out of four houses (23%) has five or more people, double the city-wide rate of 11%. As a result of the number of large households, attics, basements, garages, and other outbuildings are being converted into rooms, often without benefit of compliance with building and fire safety codes.

Homeownership rates have decreased significantly in recent years. In 1990, homeownership in South Wenatchee represented 45% of all households. In 2000, only 28% of the households were owner-occupied. The City has selected this area for assistance to help stabilize the neighborhood and provide much-needed program support to its lower-income families.

Description of Project Activities

The CDBG funds will be used to create a Community Center in South Wenatchee by rehabilitating an existing building. The Community Center will provide a one-stop resource to neighborhood residents and the community at large for the delivery of key social services. The Community Center will provide social services to lower-income families and individuals, seniors, and youth.

Several program activities and services are scheduled to be delivered at the Center:

- Job training/workforce training skills (basic training skills to transition from farm labor and service sector employment to technical trades; the Community Technology Center would offer further advanced training)
- Housing/social service assistance (counseling, housing rehabilitation, subsidized or transitional housing opportunities, and food)
- Youth program assistance (computer lab, homework center, job training opportunities)
- A place for safe social and cultural opportunities to help build the fabric of the neighborhood and community

A number of tenants providing services and training have been identified:

- Wenatchee Valley College
- Head Start
- Opportunities Industrialization Center
- Veterans
- Police Substation (drop-in after-school mentoring, recreation, and assistance)
- Community Action Council (foodbank)
- Community Programming (microlending and entrepreneurial support, youth programming, referrals to over 27 partner agencies)

Homeless and Other Special Needs Populations

There are no specific new homeless projects currently planned for 2005. The focus in 2005 will be to support efforts of local homeless provider leadership to increase involvement in homeless planning and to explore the potential for a new homeless project for housing and services.

In addition, three agencies will continue to provide homelessness prevention assistance to those at risk of homelessness. Community Action, Salvation Army, and Serve Wenatchee Valley will provide rental assistance (e.g., rent and mortgage assistance, help with security deposits), utility payments and disconnections, and rental counseling. While outreach resources are limited, the emergency shelters, soup kitchens, and 14 food banks in Chelan and Douglas Counties conduct outreach, as well as information and referral. Solomon's Porch and Ministry Lighthouse provide meals and a safe haven for persons living on the streets. Many of these activities will assist the chronic homeless as well as other persons with special needs.

Needs of Public Housing

During the year, the Housing Authority of Chelan County and the City of Wenatchee will continue to coordinate on housing rehabilitation income verification. The City is conducting a study of the Ninth Street Mobile Home Park and its residents' needs for housing. The Housing Authority will be consulted on needs and resources to assist the Park's residents. In addition, the possibility of utilizing the SHB 2060 funds purchase of housing will be considered in the coming months.

Anti-poverty

The Community Center project is a major component of the City's anti-poverty strategy. The Center will provide a location for programs and assistance aimed at the lowest-income persons in the community. Services such as job training, social services, and housing assistance will provide assistance in the areas of employment, self-sufficiency, and housing, all basic components of the anti-poverty efforts of the City.

Lead-based Paint Hazards

Lead-based paint hazards will be assessed for all houses assisted in the CDBG Major Rehabilitation Program. Abatement actions will be taken as determined by the assessment. Occupants will be provided with information on lead-based paint hazards.

Monitoring Activities

The City will plan for adequate staffing of the CDBG management function. The Community Center project will be carefully monitored for timeliness to assure that the first-year objectives are met on a timely basis and in compliance with HUD regulations. The activities of the Major Rehabilitation Program will include inspections and assurance that local codes are being met in the rehabilitation process. While there are no subrecipients involved in implementing first-year activities, the City will begin planning for monitoring procedures for second-year activities, which are expected to include subrecipients. The City will also seek to establish monitoring procedures and management oversight for 2006 activities, including Section 3, environmental releases, labor standards management, minority business outreach, and equal opportunity provisions.

APPENDIX D: HUD TABLES

Chelan/Douglas County Continuum of Care Homeless and Special Needs Populations Table 1A

Continuum of Care: 2004 Housing Gaps Analysis Chart

		Current Inventory in 2004	Under Development in 2004	Unmet Need/ Gap
Individuals				
Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter	40	0	55
	Transitional Housing	14	0	35
	Permanent Supportive Housing	78	0	0
	Total	132	0	90
Persons in Families With Children				
Beds	Emergency Shelter	98	0	19
	Transitional Housing	147	0	53
	Permanent Supportive Housing	0	0	5
	Total	245	0	122

This chart summarizes the information from the Fundamental Components in the CoC System -- Housing Activity Chart and represents the CoC's judgment as to the need for additional emergency, transitional housing, and permanent supportive housing resources. The estimated unmet need is based upon the status of the inventory at a point-in-time (one day) and takes into account both existing beds and funded new beds that are not yet ready for occupancy but are under development.

Continuum of Care: 2004 Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Example:	75 (A)	125 (A)	105 (N)	305
1. Homeless Individuals	43	26	9	8
2. Homeless Families with Children	13	29	3	7
2a. Persons in Homeless Families with Children	36	87	10	30
Total (lines 1 + 2a)	79	113	19	38
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total
1. Chronically Homeless	34		9	43
2. Seriously Mentally Ill	33(A)			
3. Chronic Substance Abuse	5 (A)			
4. Veterans	16 (A)			
5. Persons with HIV/AIDS	0 (A)			
6. Victims of Domestic Violence	53(A)			
7. Youth	15 (A)			

(N) Indicates an enumeration (survey) was used to determine the number of homeless sheltered and unsheltered at a one-day point in time.

The enumeration of homeless persons in Chelan and Douglas Counties was conducted by a team of representatives from local homeless provider organizations. It was conducted in October 2004 as a point-in-time homeless count as part of a county-by-county survey organized by the Washington State Department of Community, Trade, and Economic Development for the Balance of Washington State Continuum of Care in which Chelan and Douglas Counties participate.

**City of Wenatchee
Special Needs (Non-Homeless) Populations
Table 1B**

CITY OF WENATCHEE				
SPECIAL NEEDS SUBPOPULATIONS	Priority Need Level High, Medium, Low, No Such Need	Unmet Need	Dollars to Address Unmet Need	Goals
Elderly	H			8
Frail Elderly	M			-
Severe Mental Illness	H			3
Developmentally Disabled	M			-
Physically Disabled	H			3
Persons w/ Alcohol/Other Drug Addictions	H			2
Persons w/HIV/AIDS	M			-
Other				
TOTAL				16

Rationale for Establishing Priorities:

There are relatively greater needs in terms of the number of persons who are elderly, seriously mentally ill, and chronic substance abusers than other special needs populations, and the City's housing rehabilitation programs will include provisions for making housing handicapped accessible for persons with physical disabilities. Obstacles that may be faced in meeting the needs of underserved special needs populations include the limited amount of state and federal funds available for these populations. As a small urban area, Wenatchee is at a disadvantage compared to other larger areas with multiple resources and housing development capacity.

City of Wenatchee
Summary of Specific Housing/Community Development/Homeless/Special Needs
Objectives
Tables 1C & 2C

Objectives #	Specific Objectives	Performance Measure	Expected Units	Actual Units
	Rental Housing Objectives			
1-A	Increase the supply of affordable housing to the community's lowest-income households	Number of additional affordable housing units available to lower-income families and individuals due to CDBG investment in land acquisition, infrastructure development, and acquisition of property for combined housing/economic development projects	16 units	
1-A	See above	Completion of report identifying proven methods for employing incentives to encourage landlords, the Housing Authority, and other developers to increase the amount of affordable housing they offer to the community's most vulnerable residents	1 report	
	Owner Housing Objectives			
1-C	Expand homeownership opportunities	Number of owner households with rehabilitation completed	27 households plus additional 14 households with CDBG funds	
	Community Development Objectives			
2-A	Revitalize neighborhoods	Number of community/neighborhood clean-up events where residents, landlords, and/or businesses actively participate in planning and/or implementation	4 clean-up events	

	Infrastructure Objectives			
2-A	See above	Number of households served by new neighborhood improvements, including sidewalks, lighting, landscaping, and/or facilities	120 households	
	Public Facilities Objectives			
2-B	Provide support for integrated high priority public services and community facilities	Number of capital projects planned and/or implemented that incorporate complementary access to safety net services	1 community center completed	
	Public Services Objectives			
2-B	See above	Number of additional persons served by services and activities offered at neighborhood-based community facilities	300 persons	

Note: This is a combined Table 1C and 2C. Only those objectives of the Consolidated Plan that involve activities assisted with CDBG funds are included here.

**City of Wenatchee
Housing Priority Needs Summary
TABLE 2A**

CITY OF WENATCHEE					
PRIORITY HOUSING NEEDS (households)		Priority Need Level High, Medium, Low		Unmet Need	Goals
Renter	Small Related	0-30%	M	224	1
		31-50%	M	258	1
		51-80%	M	180	*
	Large Related	0-30%	M	187	1
		31-50%	M	114	1
		51-80%	M	103	*
	Elderly	0-30%	M	199	1
		31-50%	M	213	1
		51-80%	M	128	*
	All Other	0-30%	M	285	1
		31-50%	M	185	1
		51-80%	M	90	*
Owner	0-30%	M	236	3	
	31-50%	H	1,120	22	
	51-80%	H	927	16	
Special Needs		0-80%	H	250	16
Total Goals					65
Total 215 Goals					20
Total 215 Renter Goals					4
Total 215 Owner Goals					16

All unmet needs for owner and rental housing were obtained from the HUD CHAS data. The CHAS data establish the number of households with housing problems either paying more than 30% of their income for housing or living in substandard or overcrowded conditions.

Rationale for Establishing Priorities

Renters – Given the limited amount of funds available, the City has established a high priority for homeowner programs to work toward at least maintaining current levels of homeownership in the city. There are relatively few programs available to lower-income homeowners to help them maintain their properties. While the City may develop a program providing assistance to lower-income renters, that program is not yet developed. The asterisks indicate that, while there are no specific goals for the 51% -80% moderate-income renter households, it is highly possible that in the course of developing and implementing renter assistance activities that this income range may also be served.

Homeowners – Compared to many other communities, a relatively higher proportion of Wenatchee's lower-income homeowners have housing problems relative to its lower-income renter households. There are a number of lower-income homeowner households in danger of losing their homes due to high costs of maintenance and/or deteriorating housing conditions that are beyond their abilities to meet. The City has generally placed a priority on promoting homeownership as part of a strategy to stabilize the community's neighborhoods. A higher priority was placed on the 31% -80% income ranges because these income ranges have a relatively higher number of households in need than the 0% -30% of median income group and because these households are better able to afford a home in the Wenatchee market.

Special Needs Populations – While the City wishes to assist persons with special needs, the limited amount of funds available does not permit the development of a program to assist this group. However, if the opportunity arises to provide assistance to this group during the period of the Plan, the City will seek ways to support local agencies to undertake activities providing expanded special needs housing. In addition, it is anticipated that the City's housing rehabilitation programs will assist some disabled households.

In general, much of the housing rehabilitation assistance for households in the 0% -80% median income range will be provided in the South Wenatchee neighborhood. However, assistance will be expanded to other neighborhoods as resources permit.

There are a number of obstacles to meeting the underserved needs of the lower-income populations. First, many homeowners in these income ranges have poor credit history or high mortgage costs which do not permit them to qualify for conventional assistance, leaving the CDBG as the only source of funding for high-risk borrowers. Second, the City does not have HOME funds to supplement CDBG resources, and, therefore, developers must depend on highly competitive state housing trust funds for funding rental housing and special needs housing.

**City of Wenatchee
Community Development Needs
Table 2B**

See below for Instructions and Definitions				
PRIORITY COMMUNITY DEVELOPMENT NEEDS	Need Level Priority: High, Medium, Low, No Such Need	Unmet Need	Dollars to Address Unmet Need	Goals
PUBLIC FACILITY NEEDS (projects)				
Senior Centers			\$1,500,000	
Handicapped Centers			\$250,000	
Homeless Facilities			\$1,000,000	
Youth Centers			\$4,000,000	
Child Care Centers			\$500,000	
Health Facilities			\$250,000	
Neighborhood Facilities			\$1,500,000	
Parks and/or Recreation Facilities			\$10,000,000	
Parking Facilities			\$6,000,000	
Non-Residential Historic Preservation			\$300,000	
Other Public Facility Needs			\$200,000	
INFRASTRUCTURE (projects)				
Water/Sewer Improvements			\$8,800,000	
Street Improvements			\$50,100,000	
Sidewalks			\$6,500,000	
Solid Waste Disposal Improvements			unknown	
Flood Drain Improvements			\$1,700,000	
Other Infrastructure Needs			\$3,000,000	
PUBLIC SERVICE NEEDS (people)				
Senior Services			\$1,500,000	
Handicapped Services			\$1,250,000	
Youth Services			\$1,500,000	
Child Care Services			\$1,500,000	
Transportation Services			\$500,000	
Substance Abuse Services			\$1,750,000	
Employment Training			\$1,500,000	
Health Services			\$3,500,000	
Lead Hazard Screening			\$50,000	
Crime Awareness			\$15,000	
Other Public Service Needs			\$25,000	

ECONOMIC DEVELOPMENT				
ED Assistance to For-Profits(businesses)			\$4,200,000	
ED Technical Assistance(businesses)			\$2,000,000	
Micro-Enterprise Assistance(businesses)			\$1,000,000	
Rehab; Publicly- or Privately-Owned Commercial/Industrial (projects)			\$6,100,000	
C/I* Infrastructure Development (projects)			\$1,800,000	
Other C/I* Improvements(projects)			\$1,300,000	
PLANNING				
Planning			\$1,250,000	
TOTAL ESTIMATED DOLLARS NEEDED:			\$99,590,000	

* Commercial or Industrial Improvements by Grantee or Non-profit

APPENDIX E: ANNUAL PROJECT PLAN

U.S. Department of Housing
and Urban Development

OMB Approval No. 2506-0117
(Exp. 8/31/2005)

Table 3
Consolidated Plan Listing of Projects

Applicant's Name: City of Wenatchee

Priority Need: Public Facilities

Project Title: The Community Center

Project Description:

Renovation of St. Joseph's Church into a multi-purpose community center. The project involves acquisition, rehabilitation, and conversion. When completed, the project will provide a range of services principally for approximately 1,900 households in South Wenatchee, the majority of which are composed of lower-income families and individuals.

Location: 504 South Chelan, Wenatchee Census Tract 9610.2

Objective Number	Project ID
3B1	
HUD Matrix Code	CDBG Citation
	570.201c
Type of Recipient	CDBG National Objective
Entitlement City	Low- and moderate-income benefit
Start Date (mm/dd/yyyy)	Completion Date (mm/dd/yyyy)
Performance Indicator	Annual Units
	1
Local ID	Units Upon Completion
	1

Funding Sources:

CDBG	\$308,000
ESG	0
HOME	0
HOPWA	0
Total Formula	0
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding	\$2,925,740
Total	\$3,233,740

The primary purpose of the project is to help:

☐ the Homeless ☐ Persons with HIV/AIDS ☐ Persons with Disabilities ☐ Public Housing Needs

Table 3
Consolidated Plan Listing of Projects

Applicant's Name: City of Wenatchee

Priority Need: Planning and Administration

Project Title: Consolidated Planning

Project Description:

Preparation of a 5-Year Housing and Community Development Consolidated Plan and Annual Action Plan

Location: NA

Objective Number	Project ID	Funding Sources:	
		CDBG	\$77,000
HUD Matrix Code	CDBG Citation	ESG	0
	570.205	HOME	0
Type of Recipient	CDBG National	HOPWA	0
Entitlement City	Objective	Total Formula	0
Start Date	Completion Date	Prior Year Funds	0
11/01/2004	04/15/2005	Assisted Housing	0
Performance Indicator	Annual Units	PHA	0
		Other Funding	0
Local ID	Units Upon Completion	Total	\$77,000

The primary purpose of the project is to help:

☐ the Homeless ☐ Persons with HIV/AIDS ☐ Persons with Disabilities ☐ Public Housing Needs

APPENDIX F: CITIZEN PARTICIPATION PLAN

CITY OF WENATCHEE CITIZEN PARTICIPATION PLAN

3/05

Introduction

The City of Wenatchee has established a Citizen Participation Plan to provide opportunities for citizen involvement in the process of developing and implementing the Community Development Block Grant (CDBG) Program (and other programs administered by the U. S. Department of Housing and Urban Development-HUD) and the City of Wenatchee Consolidated Plan for Housing and Community Development (a separate Citizen Participation Strategy will provide information on citizen involvement in the CDBG Program administered by the Washington State Department of Community, Trade, and Economic Development).

This Citizen Participation Plan outlines when, where, and how citizens can access information, review, and comment on major community plans and comment on progress of funded activities. The primary planning document is the Consolidated Plan, which is developed every five years to serve as the guide for strategic actions to enhance the City's housing and community development assets. Another major planning document is the Annual Action Plan, which describes the specific actions and project activities the City will conduct during the year using the CDBG funds.

Encouraging Public Participation

The City of Wenatchee encourages the participation of all of its citizens in the development of the plans and in reviewing progress in implementing the plan activities and particularly encourages involvement of low- and moderate-income households, including those in targeted neighborhoods, as they are the primary beneficiaries of the CDBG funds. Opportunities for involvement occur prior to and during the development of long-range strategic plans and annual action plans, as well as on an ongoing basis during the implementation of activities described in those plans. These opportunities include:

- Participation at public hearings to discuss needs, progress on project activities, and the amount of funds available for activities

- Participation in meetings with ad hoc committees and focus groups involved in planning housing and community development activities
- Review and comments on proposed plans such as:
 - Public Participation Plan
 - Consolidated Plan
 - Annual Plans
 - Amendments to Plans
- Review and comment on Annual Performance Reports describing progress on project activities

Public Meetings and Hearings

During the development of the Consolidated Plan and Action Plans, City staff will meet with community groups and other community housing and community development task forces and organizations to provide information on the uses of the CDBG funds and hear discussion of needs. In addition, City staff will discuss the components of the plan including the needs assessment, the strategic plan, the Annual Action Plans, and any substantial amendments proposed to those plans.

Purpose of the Public Hearings

A minimum of two Public Hearings will be held during the year to obtain the comment of citizens and representatives of public agencies, nonprofit organizations, and other interested parties. The Hearings provide opportunities to obtain the views of citizens on housing and community development needs, offer information on the amount of funds available and the purposes for which funds can be used, discuss proposed activities, and review program performance over the previous year. All oral and written comments will be considered in decisions on the CDBG Program and planning documents. A summary of the City's response to comments made in the Consolidated Planning process will be provided in the Appendix of the Plan submitted to HUD. At least one of the Hearings will be held prior to publishing the draft plan for comment. A Public Hearing will also be conducted to consider any substantial amendments in planned activities or funding allocations of the approved Consolidated Plan or Annual Action Plan.

Location of Hearings

The Hearings will be located and timed to ensure maximum opportunities for citizens to participate. Hearings will be conducted in buildings that are accessible to persons with physical disabilities.

Expanding Opportunities for All to Participate at Hearings

The City encourages all citizens to participate. A special effort will be made to ensure that low- and moderate-income persons, households in areas targeted for CDBG assistance, minorities, people who do not speak or understand English well, and persons with disabilities are made aware of the Hearings and are able to fully participate in all stages of the planning process. Upon reasonable notice, the City will provide public notices and summaries of information in other languages, will make reasonable efforts to provide translators for non-English speaking persons at meetings and Hearings, and will take steps to accommodate persons with disabilities needing assistance. To arrange for assistance, requests must be made to the Department of Community Development at least five days prior to the scheduled meeting or Hearing.

Notification of Hearing Dates

Notices of Hearings will be published in the *Wenatchee World* at least two weeks prior to the meeting.

Opportunities to Comment on Draft Plans and Reports

There are a number of opportunities to comment on draft plans and reports related to the Consolidated Plan. Prior to their submission to HUD, the City will consider fully all comments received on these plans within the timeframes identified below.

The Citizen Participation Plan

The City of Wenatchee Citizen Participation Plan outlines the steps the City will take to provide citizens with opportunities for input into the development of plans and to comment on performance of assisted activities. The public will be advised of the availability of the Citizen Participation Plan and any amendments to the Plan and is invited to provide comments. Comments may be sent in writing to the Wenatchee CDBG Administer at the Department of

Community Development, P.O. Box 519, Wenatchee, WA 98807. A notice will be placed in the *Wenatchee World* providing 30 days for the public to comment on the Plan. A copy of the Citizen Participation Plan may be obtained from the Department of Community Development or by calling (509) 664-3391.

The Consolidated Plan (and Amendments)

The *City of Wenatchee Consolidated Plan for Housing and Community Development* is a long-range strategic plan that assesses community needs, establishes priority objectives, and outlines strategies the City will pursue over a five-year period to improve the City's housing and community development assets principally benefiting low- and moderate-income persons. The public will be advised of the availability of the Consolidated Plan and amendments to the Plan and is invited to provide comments. A notice will be placed in the *Wenatchee World* providing 30 days for the public to comment. Comments may be sent in writing to the Wenatchee CDBG Administer at the Department of Community Development, P.O. Box 519, Wenatchee, WA 98807. A copy of the Consolidated Plan may be obtained from the Department of Community Development or by calling (509) 664-3391.

Annual Action Plans (and Amendments)

Each year, the City is required to prepare an Annual Action Plan for submission to HUD. The plan outlines the programs and activities the City will undertake in the coming year to implement the strategies of the Consolidated Plan. The Annual Plans also describe how the CDBG funds will be used over the course of the year. The public will be advised of the availability of the draft Annual Plan and amendments to the Plan and is invited to provide comments. A copy of the Annual Plan may be obtained from the Department of Community Development or by calling (509) 664-3391. Comments may be sent in writing to the same Department. A notice will be placed in the *Wenatchee World* providing 30 days for the public to comment on the Annual Plan.

Annual Performance Reports

Each year, the City prepares a description of how the CDBG funds were used over the past program year and describes progress on other non-funded activities of the Consolidated Plan. The public will be advised of the availability of the draft Performance Report and is invited to

provide comments. A notice will be placed in the *Wenatchee World* providing 15 days for the public to comment on the Performance Report. A copy of the Annual Performance Report may be obtained from the Department of Community Development or by calling (509) 664-3391. Comments may be sent in writing to the Department.

Amendments

From time to time, amendments to the plans will be necessary as conditions change. Amendments of a minor nature will be made as needed throughout the year. However, the public will be given an opportunity to comment on all substantial amendments to the plans, following the process described above.

A “substantial” amendment to the Consolidated/Annual Plan is defined as:

- Projects with budgets of \$25,000 or more – An increase or decrease of more than 25% of the budgeted amount (unless the decrease is caused by a budget under-run).
- Projects with budgets of less than \$25,000 – An increase or decrease of more than 50% of the budgeted amount (unless the decrease is caused by a budget under-run).
- A change in purpose, scope, general location, or intended beneficiaries or the addition of a new project.
- A change in the use of funds from one activity to another.

Access to Information and Availability of Plan Documents

The City will provide reasonable and timely access to citizens, public agencies, and other interested parties of records and information on the Consolidated Plan (and previous Consolidated Plan documents) and the City’s use of the funds under the programs covered by the Plan. In addition, the City will provide information to the public during the planning processes on proposed activities, the amount of assistance available, the range of activities that may be undertaken, and estimates of the amount of funds that will benefit low- and moderate-income persons. Copies of the adopted Consolidated Plan and the Annual Performance Report are available upon request from the Department of Community Development, P. O. Box 519, Wenatchee, WA 98807.

Technical Assistance

The City will provide technical assistance to groups representing low- and moderate-income persons to assist them in understanding the requirements for developing proposals for funding assistance under the Consolidated Plan. Technical assistance may include referral to information sources, providing information on programs and activities, workshops, and one-one assistance.

Complaints and Grievances

Complaints concerning the CDBG Program, the Consolidated Plan, Annual Plan, or Performance Report may be made to the CDBG Administrator of the Wenatchee Department of Community Development. All complaints made in writing will be responded to in writing within 15 days. Persons not satisfied with the response may write an appeal of the decision and request a review of the complaint by the Community Development Director of the Wenatchee Department of Community Development. A written response conveying the results of the review to the complainant will be made in writing within 21 days. All decisions of the Community Development Director will be final.

Anti-displacement and Relocation Assistance Plan

The City has an Anti-displacement and Relocation Assistance Plan to minimize the displacement of persons as a result of program activities and to assist any persons actually displaced. The policy is to discourage displacement unless it is clearly necessary to achieve the Plan's objectives and to minimize the adverse impacts of the displacement. In the event that displacement is unavoidable, displacees will receive the full benefits and assistance provided for under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and HUD regulations. The full Plan is available upon request by contacting the Department of Community Development and is included in the Consolidated Plan.

APPENDIX G: ANTI-DISPLACEMENT PLAN

City of Wenatchee Anti-Displacement and Relocation Assistance Plan

Guide Form Residential Anti-Displacement and Relocation Assistance Plan under Section 104(d) of the Housing and Community Development Act of 1974, as Amended

The City of Wenatchee will replace all occupied and vacant occupiable low/moderate-income dwelling units demolished or converted to a use other than as low/moderate-income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, as described in 24 CFR 570.488.

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligation or expending funds that will directly result in such demolition or conversion, the City of Wenatchee will make public and submit to the State of Washington the following information in writing:

1. A description of the proposed assisted activity;
2. The location on a map and the number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for low/moderate-income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a low/moderate-income dwelling unit for at least 10 years from the date of initial occupancy; and
7. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a two-bedroom unit with two one-bedroom units) is consistent with the housing needs of low- and moderate-income households in the jurisdiction.

The City of Wenatchee will provide relocation assistance, as described in 570.488, to each low/moderate-income household displacement by the demolition of housing or by the conversion of a low/moderate-income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities assisted under the Act, the City of Wenatchee will take the following steps to minimize the displacement of persons from their homes:

1. Use CDBG funds to provide seed money grants or loans, long-term mortgage loans at favorable rates, or capital grants to tenant groups of multi-family building to help them convert to cooperatives.
2. Stage rehabilitation of assisted housing to allow tenants to remain during and after rehabilitation, working with empty buildings or groups of empty units first so they can be rehabilitated first and tenants moved in before rehabilitation on occupied units or buildings is begun.
3. Establish temporary relocation facilities in order to house families whose displacement will be of short duration, so they can move back to their neighborhoods after rehabilitation or new construction.
4. Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent their placing undue financial burden on long-established owners or on tenants of multi-family buildings.
5. Establish counseling centers operated by the City or non-profit organizations to assist homeowners and renters to understand the range of assistance that may be available to help them in staying in the area in the face of revitalization pressures.
6. Use CDBG funds or other housing assistance funds to establish a program of grants or deferred loans for rehabilitation or repairs to property owners who agree to limit rent increases for five to 10 years.
7. Develop displacement watch systems in cooperation with neighborhood organizations to continuously review neighborhood development trends, identify displacement problems, and identify individuals facing displacement who need assistance.
8. Adopt policies which help to ensure certain rights for tenants faced with condominium or cooperative conversions.
9. Consider the adoption of tax assessment policies consistent with state law to reduce the impact of rapidly increasing assessments on lower-income owner-occupants or tenants in revitalizing areas.
10. Shift the concentrated demand generated by intense investment in one or two neighborhoods to other neighborhoods by: (a) ceasing any publicly-supported rehabilitation except for low-income housing; (b) targeting public improvements into several other neighborhoods with potential for revitalization; and (c) conducting advertising campaigns to attract interest in other neighborhoods.